

ALTERNATIVE APPROACHES TO FINANCING LIFELONG LEARNING

COUNTRY REPORT

NORWAY

1998

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PREFACE

Lifelong learning was the main theme of the OECD's meeting of education ministers in 1996. The resulting recommendations for a greater emphasis on lifelong learning have since influenced co-operation within the field of education in the OECD countries and are being followed up through a variety of studies and projects.

Naturally, the OECD places significant emphasis on the financing of the expanded activities within lifelong learning. This report is the Norwegian contribution to the study on "Alternative Approaches to Financing Lifelong Learning" which highlights the main issues concerning financing and the use of resources.

The following ten countries contributed national reports to this study: Austria, the Czech Republic, Finland, Hungary, Italy, Korea, Japan, the Netherlands, Sweden and Norway.

The overall study will be considered by the OECD's Education Committee in late 1998. The study will be published by the OECD in printed form and also placed on the Internet. The national reports will be published in each country and the OECD will simultaneously make them available on the Internet.

The Norwegian report has been prepared for the OECD study according to guidelines issued by the OECD. The report has not been further adapted for publication. Even if this makes for a somewhat less reader-friendly and accessible report, we believe that the material contained in it will be a valuable contribution to the ongoing debate on these central issues in educational policy.

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Department for Adult Education and Educational Funding,
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CHAPTER 1: INTRODUCTION - THE COUNTRY SETTING

1.1 POLITICAL CONTEXT

1.1.1

1. There is no single, comprehensive definition of “lifelong learning” in Norway. The concept has expanded to embrace the complete life span including basic education for children and young people.
2. The current debate is focusing on the need for competence in the workplace and among the adult population.
3. The concept “lifelong learning” appears in political and social debates on competence and training in various contexts and across policy areas including:
 - The awareness that knowledge and skills must continually be updated lies behind the expansion and reforms in the initial education and training system, whether at primary, secondary or higher level.
 - The Norwegian government has opted for an active labour market policy, ALMP. The active labour market policy implies to improve the competence and job possibilities of the unemployed with low educational attainment and low skills, to enhance the possibilities for job placements, for enterprises to recruit skilled workers, and to increase the accumulated competence of society as a whole, as well as future production and income potentials.
 - Increasing emphasis is being placed on the importance of competence for economic activity and employment. Great attention is paid to the needs of the workplace.
 - There is a growing awareness that learning occurs in different contexts and life situations. The conditions under which training occurs and the systems for documentation and assessment of non-formal learning are important questions in the Norwegian debate on education and training.
4. In June this year, the government submitted to the Storting (the Norwegian National Assembly) a White Paper on adult education and training. The White Paper (“The Competence Reform”) will be discussed in the Storting during the autumn session. The White Paper builds on, among other things, a report (“New competence”) that was submitted to the Ministry of Education, Research and Church Affairs in October 1997 by a committee appointed by Royal Decree some 12 months earlier. The report was sent out for public debate, and the Ministry received wide and articulated response from the parties involved in questions concerning lifelong learning in Norway. There are references to the two documents in the following chapters.

1.1.2

5. Education and training is high on the Norwegian political agenda. In recent years, major, far-reaching reforms have been implemented with comprehensive support from politicians and society.

6. Increased unemployment, also among young people, contributed to a significant expansion of capacity at the levels of upper secondary and higher education. The extended capacity and its financial implications were important reasons for the major structural and curricular reforms in initial education and training from 1990 to the present.

7. The general process of change in society and the recent reforms in the educational system revealed the need for a policy document defining aims, principles and basic values that all education should be based on. A Core Curriculum (1993) was therefore developed for primary, secondary and adult education, including vocational education. The Core Curriculum strongly underlines the importance of initial education and training in providing a basis for lifelong learning.

8. The reform of upper secondary education and training ("Reform 94") derives among other things from the recognition by the social partners of the need to strengthen vocational training. The main model of vocational education consists of two years at school + two years of apprenticeship, the so-called "2+ model". During the two years with the enterprise the apprentice will receive the equivalent of one year of training and take part in the productive work the equivalent for one year. In practice the training and the productive work are mixed throughout the two years. (The apprentice is engaged by the enterprise from the first day and is paid an equivalent to one year's salary over two years. The salary is stipulated in the wage agreement of the trade and is about half the amount of what skilled workers get.) The aim is that around 40 per cent of each annual cohort should complete upper secondary education with a trade or journeyman's certificate after the final period of productive work in the workplace.

9. The principal objective of the reform has been to ensure that all young people receive education or vocational training which provides a basis for further study and work. Therefore a statutory right to three years of full-time upper secondary education was introduced for all 16-19 year-olds, leading to either university entrance qualifications, a trade or journeyman's certificate or other vocational qualifications.

10. There is basic agreement that initial education and training at primary and secondary level should be the same throughout the country and that funding is the responsibility of the public authorities. This principle also applies to apprenticeships in that enterprises taking on apprentice receive public support, corresponding to the cost of a place at school.

11. Care was also taken that the reforms in initial education and training at primary and secondary level should take into account the educational needs of adults, including measures of organising and adapting the education and training to meet their particular needs. Therefore the use of information technology was included in all curricula, distance education was emphasised and the provisions and arrangements for external candidates were included at all levels. This is important now that the government is focusing more strongly on the educational needs of the adult population.

12. An important aspect of adult education in Norway is that the public education institutions also are responsible for providing initial education and training for adults at primary and secondary level; no institutions have been established specifically for this purpose.

13. Furthermore, private and independent institutions, organisations and the working community provide initial education and training (as a supplement to the public provision), different types of vocational training and general adult education. The public authorities support some of this education, but the education is mostly financed by the participants themselves, or the employers.

1.1.3

14. The publicly appointed committee which has reported on the basis for a reform of adult education and continuing education and training within the framework of lifelong learning (“New Competence”) has mainly recommended building on an existing cross-sector approach. For priorities in the White Paper (“The Competence Reform”), see Chapter 6.

1.1.4

15. There seems to be broad agreement about the need for greater emphasis on competence building in society.

The social partners

16. In Norway, there is a long history of obligated co-operation between the authorities and the social partners.

17. The social partners are heavily involved in upper secondary education and training, especially in creating apprenticeship places.

18. Through the system of national agreements, the social partners have become more heavily involved in training and competence development. This concerns the private, public and local authority sectors. Since 1996 especially, training (leave and funding) has been included as a central element in collective wage negotiations.

19. The employers and various employee organisations participated in the public-appointed committee, which made its proposals in autumn 1997 (“New Competence”).

20. As part of the main wage negotiations this spring The Confederation of Trade Unions (LO) and The Norwegian Confederation of Business and Industry (NHO), agreed on the basic and principal questions and demands for the Government’s involvement in a reform on Adult Education.

Voluntary organisations

21. Norway has a well-developed network of voluntary organisations representing a broad spectrum of social and business interests in all fields of society.

22. There is a long tradition in Norway of broad public involvement in adult education and training through the voluntary organisations. Many of these organisations are behind the development of study associations, and they have greatly contributed to the standing of the folk high schools and the independent distance education institutions. A certain amount of official support is provided to the study associations’ training activities, which cater for an annual 750.000 course participants.

23. In a broad sense, the organisations promote lifelong learning through providing training through developing teaching methods suitable for adult participants, and through encouraging training and recruiting participants.

1.2 ECONOMIC CONTEXT

1.2.1

24. The Norwegian economy is strong. Especially within the last 3-4 years, there has been significant growth in employment and a reduction in unemployment.

25. Among the population aged 16-66 in 1997 around 79 per cent were in the work force. 76 per cent were employed. In the first half of 1998 the mean number of registered unemployed was 58,560 The labour market is currently very tight and there is a real shortage of skilled workers in several industries, especially in manufacturing, construction work and the service industries, including the health sector.

26. The employment situation, together with the rapid change towards a more knowledge-intensive production of goods and services, has greatly contributed to the increased attention being paid to competence needs in the labour force.

27. The employers, the employees and the authorities have generally identified similar competence needs. Their preferences for and assessment of specific measures will not necessarily be so compatible.

28. There is a strong tradition in Norway of equality in education and training and equal opportunities for all. The authorities are therefore very attentive to the fact that continuing education and training in today's working community may greatly reduce existing inequalities in access to education and training.

29. The tight labour market increases the cost of allowing workers to absent themselves from work to undergo training. This indicates the need for a more flexible organisation of education and training.

30. At the same time, the tight labour market provides greater opportunities for groups which previously faced problems entering the workforce, such as immigrants, refugees, young people without work experience etc.

1.2.2

31. Generally, there is a significant need for adjustment in the working community, even if there are considerable differences between industries and sectors. The social partners stress that there are still many enterprises which do not seem to have a sufficiently clear idea as to what this development means for future competence needs.

32. The social partners are thus committed to getting enterprises/organisations to use the system of national agreements which has provisions concerning competence mapping and responsibility for measures.

33. The question of leave, wages etc. for continuing education and training was also a topical theme in the principal wage agreements being negotiated this spring.

1.2.3

34. The public sector on its own will hardly be able to bear the projected future costs of funding education and training for adults.

35. This is recognised by the social partners who have signalled their intention of increasing their contribution.

36. The debate in Norway acknowledges that individual adults are responsible for developing their own competence and that they must themselves be prepared to contribute time and money to their own competence development.

37. Questions related to taxes paid by enterprises and individuals are also included in the debate.

38. A central element in the debate is that the benefits of investment in education and training can be increased by improved co-ordination of the public measures, better and more flexible organisation of education and training and a better system for the documentation of non-formal learning.

1.3 SOCIAL AND CULTURAL CONTEXT

1.3.1

39. Norway is a relatively homogenous society. Considerations of equality and equal opportunities are emphasised in public debate.

40. The development of adult education and training in Norway is closely linked to the growth of broad popular movements. Information activities, lectures, courses and more formal training were the principal tools in the fight for social equality and for the participation in democracy of broad groups of people.

41. This wide popular basis for and organisation of adult education is still strong today. Considerations of personal development and individual progress and of democratic participation in the development of society are thus central in the approach to lifelong learning.

42. The Norwegian working community is regulated by agreements between equal partners. An increased emphasis on competence needs in the workplace will thus not necessarily lead to a change in the focus on these considerations.

43. The authorities stress that everyone should have the opportunity of obtaining basic education and training as a basis for work and further learning.

1.3.2

44. The public debate in Norway clearly acknowledges that the competence needs in the workplace cannot be met solely by recruiting newly-educated people. It is thus necessary to concentrate on further improving the qualifications of those already working. The social partners are thus committing themselves ever more strongly to the further education and training of the labour force.

45. A certain portion of the adult population has never completed initial education and training. Some 40 per cent of the labour force have not completed upper secondary education and training in line with the requirements of the new curricula introduced with Reform 94.

46. Norway has a small but growing share of the population with immigrant background. Many immigrants find it more difficult than others to integrate into the workplace and society.

47. The “active labour market policy” (see section 1.1) has ambitious goals of integrating people with physical and mental handicaps into the workplace and society. Training and other methods of improving the qualifications of these groups will be a central task for the labour market authorities.

1.3.3

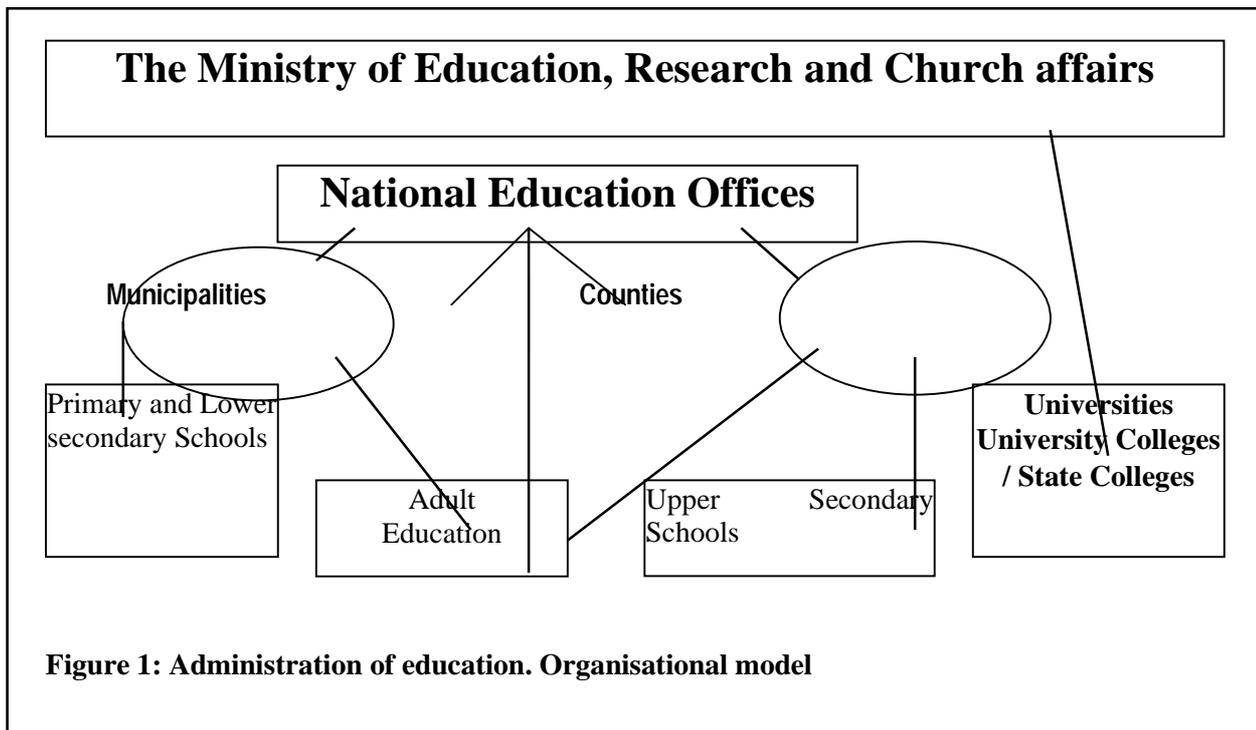
48. A more comprehensive and co-ordinated system of providing education stands out as a major challenge in a reform of adult education.

49. A much improved and more formalised co-operation and interaction between the education institutions and enterprises in mapping needs and developing and implementing training is a main demand of the social partners.

50. Such co-operation is, to a certain degree, based on laws and regulations in various fields e.g:

- Public support is provided to private and independent organisations and institutions providing education and training and which are approved under the law.
- Many labour market training courses takes place under approved curricula and with the possibility of taking an official examination.
- The external candidate system ensures that participants in all types of education and training institutions are given the opportunity to test their knowledge at the same level as ordinary pupils and students.
- It is becoming more common for public and private education institutions to co-operate directly with enterprises and other local institutions to develop and provide training and even to help in competence development in other fields.

CHAPTER 2: ESTIMATING THE PUBLIC COSTS OF IMPLEMENTING LIFELONG LEARNING



2.0 THE NORWEGIAN EDUCATION SYSTEM

51. The legislative and financial control as well as the overall responsibility for education lies with The Storting (National Assembly). The Ministry of Education, Research and Church Affairs has the overall responsibility for all levels of education from primary and secondary to higher education, including adult education. The Ministry of Public Administration and Labour has the financial responsibility for labour market training.

52. Norway is divided into 19 counties, or regional administrative units, and 435 municipalities. The municipalities are responsible for running the primary and lower secondary schools. This includes responsibilities for the building and maintenance of schools, for appointing teachers and for most of the financing. At the upper secondary level, the 19 counties assume these responsibilities. The Ministry of Education, Research and Church Affairs is responsible for the individual institutions in both the university and the non-university sectors.

53. A characteristic feature of the formal education system has always been the dominating position of the public authorities and institutions. Compared with other countries, Norway has few private schools and no specific private school tradition. Private schools are primarily considered as supplementary and are not supposed to compete with public instruction. Private higher education institutions (19) may receive state funding only for recognised study programmes.
54. Norway has a scattered population and there are many small school units in remote and sparsely populated areas. This partly explains the low average class size and the teacher-pupil ratio.
55. In adult education, the picture is somewhat more complicated.
56. The Act concerning Adult Education regulates responsibility, organisation and the conditions for public grants.
57. The public education institutions are also responsible for adult education and continuing education. The reforms in initial education and training are also important reforms for adult education.
58. The Norwegian education system is decentralised, which implies that it is accessible and that competence is widely distributed throughout the country. The possibilities for adults to develop their potential will be further enhanced. This is the main strategy for the reform plans in adult education.
59. In recent years, public institutions in upper secondary and higher education have been allowed to offer courses on a commercial basis. This activity is expanding. It adds resources to the public funding of education and is intended to stimulate co-operation between education and business.
60. There is a long tradition in Norway of non-governmental organisations and institutions playing a role in adult education, partly as a supplement to the public institutions. To some extent, these NGOs have public funding but mostly they depend on the participants or employers paying for the education.
61. As an example, the study associations annually have 750,000 participants attending their courses. This is approximately one quarter of the adult population in Norway. The folk high schools and the distance education institutions are also important actors in adult education in Norway. This broad public commitment to adult education is important, both to motivate adults and to recruit them to further education.
62. The social partners and the working community make a major contribution to the development and implementation of education in Norway. The social partners have shown strong interest in a reform of adult education.
63. In the basic agreement between the social partners, it is stated that each enterprise must present its objectives for future development as a basis for charting competence needs. The enterprise, in co-operation with the employees, is responsible for charting and initiating possible measures.
64. The costs of supplementary and further education corresponding to the needs of the enterprise must be paid by the enterprise.
65. In the wage negotiations since 1996 competence and training have been central issues.
66. The trade certificate plays an important role in Norway, both in the workplace and in the training system. Skilled workers are in a strong position in the labour market; there is very low unemployment among them. Teachers of technical subjects must themselves have a trade certificate and practical experience in the field.

67. The number of skilled workers with a trade certificate will grow considerably in the years to come. New trades have been defined under the law and an increasing number of young people finish their upper secondary education with a trade certificate.

68. Section 20 of the Act concerning Vocational Training allows adults who wish to obtain a trade certificate to obtain formal recognition of professional knowledge and skills acquired over time in the context of a job. The section 20 measure is not a training measure but a documentation measure. Candidates do not need to go through a formal education and training process, but must have relevant professional experience that has lasted at least 25 per cent longer than the apprenticeship period for the trade, that is to say, normally 5 years. They must take the same practical trade examination as the one taken by the apprentices and in addition pass an examination in the theory of the trade. The number of trade and journeyman's certificates obtained for section 20 candidates account for about 40 per cent of all the obtained trade or journeyman's certificates each year.

69. The structure of upper secondary education has facilitated the documentation of qualifications as new trades are being defined under the Act and as enterprises see the need for skilled workers both in the production process and as supervisors for new apprentices.

70. The Core Curriculum states the goals and principles for primary education, general and vocational secondary education and adult education while providing a common basis for curriculum development within all of these education sectors. The common Core Curriculum for all of these sectors, including adult education, underlines how the different education sectors are linked by common goals.

71. The provision of child-care services is the responsibility of the municipalities. A large part of the overall service is provided by private organisations under municipal supervision.

72. From 1997, children start their compulsory education during the year they reach the age of 6. This extends the period of compulsory education from 9 to 10 years. Child-care services are not formally part of the educational system, and are not discussed as a central part of lifelong learning in Norway.

73. Pupils normally start upper secondary education at the age of 16. Upper secondary education lead to either university entrance qualifications (after 3 years), a trade or journeyman's certificate (after 4 years) or other vocational competence (after 3 years). Regional authorities are responsible for upper secondary education and are required by law to offer places substantially in excess of the needs of the 16-19 age group, 375 per cent of the average 16-19 age cohort (i.e. 3 cohorts), in order to provide adults with the opportunity of receiving an upper secondary education.

74. A large-scale reform of upper secondary education was implemented from 1994. The reform introduced a statutory right (but no obligation) to three years of upper secondary education for all between the ages of 16 and 19. Foundation courses (the first year of upper secondary education) have been coordinated and their number has been reduced from 109 to 13. They now provide a broad knowledge base for specialisation and lifelong learning. For trades recognised under the Act concerning Vocational Training, the model proposed will combine two years in school with subsequent training in industry.

75. The structure of higher education was, until the early 1990s, characterised by a high degree of decentralisation. The non-university sector was reorganised in 1994, a process through which 98 (regional) colleges were merged into 26 new (state) ones. The reorganisation took place during a period of increased interest in and demand for higher education - thus creating challenges, both quantitatively and qualitatively. The student population increased by about 60 per cent, from around 100,000 to more than 170,000 students, between the late 1980s and the mid-1990s.

76. Decentralisation of decision-making has been a general trend in Norwegian education since the late 1980s. A major step in the direction of decentralisation was made by the introduction of a new sector grant system in 1986. The former earmarking of grants for primary and secondary education from central government to municipal/county authorities was replaced by a system in which the authorities receive a lump sum covering all central government subsidies for school education, culture and the health services. As a consequence, the municipalities and county municipalities now enjoy greater autonomy in the provision of education within the limits of centrally decided standards.

77. The institutions of higher education are awarded a framework budget within which they have a considerable amount of freedom concerning internal allocations and expenditures, as long as the set goals (the expected level of activity) are achieved.

2.1 CURRENT ENROLMENT PATTERNS

2.1.1 Foundation learning

i) Age participation rates for upper secondary education

Figure 2 Age participation rates for upper secondary education, 1997

	Total	16	17	18	19	20-24	25-29	30+
Student numbers	202 221	49 755	49 021	45 564	17 833	23 607	7 539	8 902
Percentage of each age group	-	93	93	85	33.7	7.6	2.4	-

Note: The table refers to the situation on 1.10.1997.

Source: Statistics Norway.

78. The table includes all education and training covered by the Act concerning Upper Secondary Education and includes students at public and private upper secondary schools as well as apprentices.

79. The numbers do not include upper secondary education and training managed by the labour market authorities. The provision of upper secondary education and training by the study associations, the independent distance education institutions etc. which is not fully-funded by the government is similarly not included. The number of adults receiving upper secondary education and training is thus much higher than that presented in the table.

ii) Changes that might be anticipated

80. Approximately 40 per cent of the labour force have not completed upper secondary education and training at the level required for today's young people. An increasing demand of formal qualifications in the labour market, may imply that more adults than before will need, and want, to complete upper secondary education and training. This applies to qualifications for admission to higher education as well as to occupational qualifications.

81. To achieve this requires greater flexibility and a better management of education provision.

82. The social partners and the authorities are working to ensure a continued increase in the number of apprenticeship places in the working community. There is every indication that the interest of young people in completing upper secondary education with a trade certificate, and the opportunity for so doing, will continue to increase, given the demand in the labour market. There is currently a dramatic increase in the number of adults employees taking a trade certificate as external students.

2.1.2 Higher education

2.1.2.1 Age distribution in higher education

Figure 3 Net enrolment in higher education by age group, 1996

Total	18	19-24	25-29	30+
45 501	198	34 964	5 626	4 713

Figure 4 Total age distribution in higher education

Total	18	19-24	25-29	30 +
180 824	230	94 723	42 306	43 565

2.1.2.2

What, if any, changes are expected to take place in the demand for and provision of higher education over the next decade?

83. As demand for higher education now seems to be flattening out, at a high level, among young people, more attention will be given to continuing and further education for the workforce.

84. The ministry will present its assessments in a white paper this spring.

85. Another white paper on student demand for and the number of students in certain studies will also be presented to parliament this spring.

86. The final report will further elaborate these questions on the basis of the white papers.

2.1.3 Adult education

87. Section 2.0 provides an overview of the adult education system in Norway. Apart from the proposed tripartite division, important aspects of education and training were not considered. These will be dealt with here.

88. The data for adult education are not as comprehensive as they could be but better collection methods are being developed. Norway is a participant in the Second International Adult Literacy Survey (SIALS). This will allow a much better and more accurate estimation of the basic education and training needs of the adult population than is currently possible with the existing education statistics.

i) Adult population by educational attainment and/or literacy level

Figure 5 Adults with a low level of educational attainment by age and by labour force status, 1997

Population with less than ISCED 3 or low literacy						
Age	Number	Per cent of total population	In the labour force			Not in the labour force
			Number	Of which employed (per cent)	Of which: unemployed (per cent)	Number
25 – 74 years	560	21.1	283	48.3	4.5	277
25 – 34 years	55	8.1	43	70.3	9.9	12
35 – 44 years	79	12.4	64	76.3	5.5	15
45 – 54 years	126	21.4	95	73.1	3.0	31
55 – 64 years	130	34.5	69	51.7	2.6	61
65 -74 years	169	47.2	12	6.9	2.5	157

Source: Statistics Norway.

ii) Information about the participation of poorly-qualified adults in various adult learning programmes, by labour force status

Figure 6 Basic language teaching (Norwegian) for immigrants, 1996

Population with less than ISCED 3 or low literacy						
Age	Number (per cent of total population)	In the labour force				Not in the labour force
		Total (per cent)	Employed (per cent)	Unemp`d (per cent)	Unemp`d >1 year (per cent)	Number (per cent)
<i>Total</i>	<i>13 598 (100)</i>					
16 - 25 years	2 787 (20.5)					
26 - 40 years	7 581 (55.7)					
41 - 54 years	2 524 (18.6)					
55 - 70 years	655 (4.8)					
71 and over	51 (0.4)					

Note: Of the total of 13,598 participants, 1,119 (8%) took part in literacy classes.

There is no information available concerning labour market status.

Source: Ministry of Education, Research and Church Affairs.

89. These courses are the responsibility of the municipalities and are offered to all non-Norwegian-speaking residents. Until 1998, there was a limit of 500 teaching hours (or 750 hours for the non-literate). From 1998, the system has been changed so that each person should have the teaching necessary to reach a certain level of achievement.

Figure 7 Adult Education organised by The Study Associations. 1997

	Participants		Age			
	Total	Of which woman	14-29 years	30-49 years	50 years→	Unknown
Total 1996	743 808	56%	194 056	194 783	111 810	243 159
Total 1997	711 531	56%	206 587	233 957	139 766	131 221
Language	27 208	71	4 818	8 098	6 308	7 984
Aesthetic, art and craft	288 128	62	101 741	92 156	71 846	22 385
Humanities, religion and theology	47 337	58	18 146	11 642	12 095	5 454
Social science and law	29 000	63	6 336	8 263	3 135	11 266
Administration	129 391	48	38 199	46 158	19 188	25 846
Economics and data processing	30 179	54	4 265	13 167	4 658	8 089
Health and social studies	70 170	71	9 180	19 587	9 337	32 066
Transport and communication	17 362	22	6 853	5 454	1 850	3 205
Natural science, industry and technology	18 112	26	3 564	4 882	836	8 830
Agriculture, fishing and forestry, ecology and environment	46 980	23	12 440	21 045	9 302	4 193
Provision and services	7 474	74	908	3 463	1 204	1 899
Unknown	190	..	137	42	7	4

Source: SSB

Figure 8 Adult Education. Distance Education Institutions. 1993-97

	1993	1994	1995	1996	1997
Total participants*)	6 571	6 104	6 202	5 937	5 243
Upper secondary education	1 520	1 269	1 553	1 631	1 588
University courses	1 559	1 841	1 645	1 761	1 583
Other courses	3 492	2 994	3 004	2 545	2 072

*) estimated to full time students

Figure 9 Adult Education. Students in Folk high schools. 1988-97

Participants	1988	1990	1992	1994	1995	1996	1997
Total	33	31	31	30	30	27	29
participants	725	255	498	843	961	878	474
Participants full time students	11	12	12	12	11	10	12259
Participants short courses*)	22	18	19	18	19	16964	17
	416	290	422	483	153		215

*) 3days – 16.5 weeks

iii) Labour Market Training and training for the vocationally disabled

90. The labour market authorities have the responsibility for the Labour market training (LMT). LMT is seen as a supplement to the initial and adult education offered by the education authorities at the municipal levels.

91. The objective of the programme is to increase the chances for transition to ordinary working life, reduce labour market imbalances caused by lacking skills, prevent unemployment and motivate unemployed to pursue further education. The programme is seen as an important tool for aiding work placement.

92. The target group is first and foremost unemployed with the aim of effective placement. However, persons whose jobs are in jeopardy and the vocationally disabled are also part of the target group. Participants should be 19 years of age or older, with the exception of the vocationally disabled who may be below this age.

93. The types of courses are decided and paid for by the Public Employment Service (PES) at the regional and local level. Main course suppliers are upper secondary schools, regional resource centres, and the voluntary study organisations.

94. The labour market authorities choose the organisers on the basis of tenders. This means that a wide range of public and private providers of education are now active in this market.

95. The content of the courses is primarily vocational training. However, general education at secondary or upper secondary level is also given if this is considered necessary for the unemployed to take advantage of vocational training at upper secondary level. The types of courses vary with the local labour market situation and with the economic conjunctures. In times of low unemployment and labour shortage, like the current situation, there will be a focus on short vocational courses aimed directly towards specific parts of the job market. During periods with higher unemployment, and with lower and less specific demand for labour, the PES may provide somewhat longer courses, and also courses with a more general content, e.g. upgrading of primary and lower secondary skills.

96. All participants are remunerated with a daily cash benefit, the size of which varies with eligibility.

Figure 10 Participants, including vocationally disabled, in labour market training by age, 1997. Mean

Total/Age	16-19	20-24	25-29	30-49	50-59	60+
10.131	255	2 154	2 303	4 825	564	31

Figure 11 Vocationally disabled in education 1997. Mean

Type of scheme/ Total	Ordinary education	Labour market training/Training place	Other schemes and statuses
53,353	14 448	1 389	37 516

Source: The Directorate of Labour 1998

97. Job seekers with physical, mental and social handicaps which influence their job opportunities are registered as vocationally disabled job seekers at the PES. Vocationally disabled persons who have a statutory right to vocational rehabilitation may participate in ordinary labour market programmes, labour market programmes for disabled persons, and vocational rehabilitation measures. A number take part in ordinary education, as shown above.

2.2 ESTIMATES OF PARTICIPATION GAPS

2.2.1 Foundation learning

98. The Norwegian system of upper secondary education is described in Section 2.0.

99. The aim is that all young people shall complete upper secondary education and training with qualifications leading to either university entrance qualifications, a trade or journeyman's certificate or other vocational qualifications.

100. Each young person aged 16-19 has a statutory right to three years of upper secondary education. Normally, this right has to be exercised over a period of four years, that is before the pupil reaches the age of 20. There is also a right to adapted education (after assessment by an expert) and, if necessary, a right to an extended period of five years to complete the education. Young people who genuinely are unable to obtain the formal final qualifications may obtain documentation of their partial qualifications. For young people who either do not seek or drop out of the standard upper secondary schooling, a statutory follow-up service has been established.

101. Statistics from the 1997-98 school year show that 85% of 18 year-olds are pupils at upper secondary schools or have apprenticeship contracts in the working community. For 16 and 17 year-olds, the proportion is 93%.

102. A very tight labour market may be the reason why more 18 year-olds now decide to drop out of or postpone upper secondary education. The scarcity of apprenticeship places within certain trades may also help to explain the lower participation rates of 18 year-olds. Around 1 per cent of the cohort of 16 to

18 year-olds attends folk high schools (folkehøgskole). Experience shows that these young people will return to upper secondary education the following year.

103. The experience gained during the reform of upper secondary education and training (including the results of a broad research-based evaluation of Reform 94) will be discussed and summarised in a Government White Paper in spring 1999. Greater flexibility in the provision of education and training, opportunities for alternative education and better methods for documenting partial qualifications are among the measures being evaluated as an encouragement for a greater proportion of young people to complete their upper secondary education within the period they are entitled to pursue such education and training.

104. Upper secondary education for adults will be discussed in Section 2.2.3.

2.2.2 Higher education

105. The higher education system in Norway is briefly described in Section 2.0.

106. The aim is that around 50% of young people continue in higher education having completed upper secondary education and training.

107. There has been a large increase in the number of study places in the last ten years, from under 100 000 to 170 000.

108. The government estimates that the number of study places is sufficient to meet the overall need.

109. The challenges are to adjust the supply to meet changing needs, to develop an improved flow through the system and to build a more flexible organisation.

110. In spring 1998, the government presented a white paper on the scope of the different types of higher education provided and a broadly-based committee has been set up to make proposals to meet future challenges in higher education.

2.2.3 Adult education

111. As stated in Section 2.0, the education system for adults in Norway is much less uniform than that for the younger age groups. The ambitions and the participation structure are summarised here.

Labour market training

112. The labour market policies adopted depend mainly on the state of the economy. With the current tight labour market, the main emphasis is being placed on advice, guidance, and job placements.

113. Within the labour market programmes on-the-job training and shorter vocational courses are given priority as a means of enhancing the matching of individuals to the available jobs.

114. For special groups with a weak position in the labour market (long term unemployed, immigrants, the vocationally disabled, single parents etc.), longer periods of training may be provided if deemed necessary for job placement.

115. In 1994 the mean number of participants in labour market programmes for the ordinary unemployed was 55 839 against the mean number of registered unemployed of 110 280. In 1997 with a tight labour market the mean number of participants in ordinary labour market programmes was 23 025 against the mean number of registered unemployed of 73 525.

Basic language training

116. The system of teaching the Norwegian language to non-Norwegian-speaking adults is under review.

117. The aim is that everyone in this group should be provided with training in Norwegian up to the level where they are able to obtain work or participate in upper secondary education. The amount of training provided depends to a great degree on the ability of the individual. The illiterate may receive basic language training spread over several years.

118. The situation prior to the review is that the municipalities are obliged to provide training in the Norwegian language. Participation has been good in such training. The capacity is there to meet the increase in demand and scope that will result from any agreed change.

Primary and secondary education for adults

119. The proportion of adults who have not formally completed primary and lower secondary school is low. Nevertheless, the number of adults who in reality do not have these basic qualifications is probably much higher than has previously been thought.

120. Primary and lower secondary education for adults, which is the responsibility of the municipalities, is provided for fewer than 5 000 adults each year. The government has now proposed that the duty of the municipalities to offer such education to adults who do not have formal primary and lower secondary education should be further developed.

121. The number of adults who have not completed upper secondary education is almost one million (some 40% of the labour force). The number of adults receiving publicly-financed upper secondary education has gone down considerably in recent years, while the number of adults taking the trade certificate has increased significantly (from around 7 000 in 1995 to almost 25 000 today). There is also an increase in the number of adults who themselves pay for most of their upper secondary education through the study associations (studieforbund) or different private providers.

Job-related training

122. The provision of continuing education and training for employees, which is related to the needs of enterprises, is primarily the responsibility of the employers.

123. There is scant statistical information, see Section 2.1. As part of the wage negotiations, the social partners have prepared the ground for a significant increase in the emphasis on continuing education and training for employees.

124. The Ministry shares the view of the social partners concerning the need for increased emphasis on continuing education and training in the working community. In the white paper "The Competence Reform", the government puts forward a range of proposals from the authorities designed to support such an emphasis on competence development in the working community. This includes the better management

of the supply of education and training to meet the needs of the working community, the use of information technology and distance education, and the documentation of the real competencies of adults, etc.

125. Outside of the existing division of the work, it would not be appropriate for the authorities to set goals for the working community's contribution to the continuing education and training of the labour force.

2.3 ESTIMATES OF THE COSTS OF CLOSING THE PARTICIPATION GAP

2.3.1 Foundation learning

126. Among 16 to 18 year-olds, there is a high participation rate in upper secondary education. The responsibility for providing school places according to the rights of the individual lies with the counties. The provision of apprenticeship places is the joint responsibility of the authorities and the working community.

127. The counties receive the means for this through the sector grants system according to the number of 16 to 19 year-olds in each county and, in addition, are required to provide an extra number of places corresponding to 75% of the cohort of 16 year-olds to cover special training, pupils who change courses and adult education. The grants to the training enterprises are also distributed through the county.

2.3.2 Higher education

128. The Ministry considers the overall number of student places to be sufficient to allow the participation goal to be reached.

129. The Ministry is working on measures to improve the flow of students through the system and to change the supply according to need. The financing of studies is also part of this debate.

130. There is currently no reason to suppose that there is a need for increased funds to carry out the changes concerning increased efficiency.

2.3.3 Adult education

Labour market training

131. Given the labour market situation, it is not current policy to increase the extent of labour market training and the funds allocated to it.

Basic language training

132. Training in the Norwegian language for non-Norwegian speaking adults has recently been reorganised into a more level-based system. As an example, examination results will decide the need for and the extent of the training.

133. Funds for this purpose are increased by NOK 60 million for 1998. It will not be possible to give more accurate information on the level of demand before the system has been in operation for some time. There is a clear recognition at the political level that a good knowledge of Norwegian is a requirement for

obtaining employment and integrating into society. Thus there is broad political support for this kind of training and it is accepted that more resources will be needed as a result of the new system.

Primary and secondary education for adults

134. The examination-focused provision of adult education at primary and lower secondary level is rather limited in Norway. In the white paper "The Competence Reform", the government proposes an extended project in some counties to assess more accurately the need for such training and models for the organisation of the training.

135. Many adults need and wish to complete upper secondary education. In the white paper "The Competence Reform", the government proposes a greater emphasis on upper secondary education for adults over a ten-year period. It is proposed that the counties have a legal obligation to provide upper secondary education to adults who did not receive such education previously. Some 265,000 adults are deemed to be in this position. Funding will primarily come through annual allocations the counties already receive for the number of study places they are required to have. Needs in excess of this will be dealt with by the government in the annual budget.

Job-related training

136. It is not currently possible to estimate accurately the costs to the working community of the increased emphasis on continuing education and training. The greatest cost will relate to the granting of leave for training purposes. The development of methods and training that allow the combination of learning and work will probably be decisive for the extent of the training provided. Here, the authorities will mainly help by contributing funds to the development work underlying such a development.

2.4 NON-PUBLIC COSTS

Figure 12 Other direct and indirect private costs of lifelong learning

Sectors	Direct private costs (tuition, course development fees)	Indirect private costs (e.g. foregone earnings, foregone production)	Other indirect private costs (associated costs e.g. transportation, child care, etc.)
Foundation	NO	NO	Books
Higher	NO		Public loans/grants
Adult (poorly qualified)			
Basic literacy	NO	•	NO
Retraining for unempl.	NO	•	NO
Job-related training	NO	•	
Other adults	(YES)	(YES)	(YES)

2.4.1 Foundation learning

137. Education in public schools is free for both young people and adults. It is also free for apprentices who, in addition, receive a wage for their work participation in the enterprise, this wage being determined in the wage agreements. School books and other materials are in principle paid for by the individual. The authorities pay part of the transport costs.

138. Loans and grants from the State Educational Loan Fund (Statens lånekasse for utdanning) cover reasonable subsistence costs. Grants are also calculated taking into account the cost of learning materials.

139. In this way, the direct private cost for young people in upper secondary education is assumed to be rather limited.

2.4.2 Higher education

140. Education is free at public institutions. Students at private colleges pay for their tutoring. Those private colleges which receive state support may only charge limited tuition fees. Students at other private suppliers of higher education may also be admitted to the loans and grants system of the State Educational Loan Fund, but limits are set on the individual's contribution.

141. The cost of learning materials is mainly borne by the individual student.

142. The combined loan and grant is considered by many students to be too low to allow a suitable standard of living. Many students therefore supplement the loan and grant with part-time work.

143. Studies of lifetime earnings show that the yield to higher education is lower in Norway than in many other countries. If the clearly reduced risk of unemployment is factored in, however, the calculation of the cost of higher education becomes much more positive.

2.4.3 Adult education

144. The picture of costs in adult education is much more complex than that in standard initial education.

145. All education at public institutions is free at every level of the education system, including for adult pupils/students.

146. However, the vast majority of adults participating in organised education and training do so at non-public institutions and organisations. The state provides support to many of the organisers in order to reduce the costs to the participants.

147. The State Educational Loan Fund also provides support for adult pupils and students. Criticism has been made that the size and organisation of the support are not sufficiently adapted to the needs of adults. Such questions will be examined after the publication of the white paper "The Competence Reform".

148. The right to obtain leave for educational purposes and the salary conditions attached to it vary greatly within the working community. The possible loss of income while receiving education may be a

major disincentive for many adults. The right to leave for everyone and loans/support to cover subsistence costs are a major topic in the adult education reform currently being prepared.

149. Labour market training, including examination and teaching materials, is supplied without costs to the participants. In addition, the participants receive a daily cash benefit, paid travel expenses, and if applicable, subsidies for child care expenses and sick leave remuneration may be paid.

150. Training in the Norwegian language for non-Norwegian-speaking adults is also free of charge and, to a significant degree, adapted for those in employment.

151. Adults taking an examination without having been pupils/students at an institution (external candidates) pay an examination fee to cover the costs to the institution.

2.5 DYNAMIC EVOLUTION OF THE COSTS OF LIFELONG LEARNING

2.5.1 Foundation learning

152. Participation and completion rates at upper secondary level are very high among the younger age group. There is significant growth in the number of apprenticeship places which will help to increase the completion rates yet further while also providing an important element in the school-to-work transition.

153. In this way, young people will have a solid initial education providing a basis for further study and employment.

154. There will be no appreciable change in the size of the target group in the coming years. Nor is there any reason to expect other, greater changes in upper secondary education for young people in the coming years. Changes will probably be of a larger magnitude within adult education, see Section 2.5.3.

2.5.2 Higher education

155. It is accepted today that Norway as a whole has a sufficient number of study places to meet its needs. The increased participation in and completion of upper secondary education will probably lead in the future to an increase in the demand for higher education. In a future scenario with higher unemployment than today, an increased number of study places in higher education would seem probable.

156. In the white paper "The Competence Reform", the working community's need for a better adapted supply of continuing education and training at the higher level is much emphasised. It is quite probable that the growth in higher education will mainly come from in the form of closer and more formalised co-operation with the working community concerning a "tailored" and flexible supply. The use of information technology will be central in this approach, not least because of the opportunities it provides to combine leisure and work. The white paper assumes that the working community itself will to a large extent finance the supply.

157. There is also an important and interesting question as to how the use of technology and closer co-operation with the working community will influence the organisation and adaptation of the standard initial education, thus affecting the capacity of higher education.

2.5.3 Adult education

158. In the white paper "The Competence Policy" are proposed measures which will lay more stress on the needs of the working community as a basis for the organisation of adult education.

159. The acknowledgement of the need for the continuous development of competencies in the labour force will lead to a much greater emphasis on and participation in training. The adaptation of the education system will be decisive in determining the size of this growth. The objectives of competence development will, however, be decided by the enterprises and organisations themselves.

160. The authorities and the social partners also agree that a solid initial education is essential as the basis for training and the development of competencies, including for adults. The authorities have clearly signalled that priority will be given in coming years to the initial education of adults who lack these basic skills. Primary and lower secondary education as well as upper secondary education will be addressed. There is thus every reason to expect a significant increase in participation and in the public expenditure related to initial education for adults. It is a condition of the authorities that the emphasis on adult education be a co-ordinated one with the working community focusing more strongly on the areas in which it has the principal responsibility.

161. Motivation and enrolment will have a central role in the proposed reform of adult education. Norway has long had a widespread tradition of providing adult education through voluntary organisations, trade unions and independent distance education institutions. It is emphasised that this widespread tradition contributes to the motivation and enrolment of diverse groups of adults and the extensive training it provides will constitute a basis for the new policy.

2.6 CHARACTERISATION OF LIFELONG LEARNING NEEDS BY WORKER TYPE

2.6.0 Introduction

162. The description of the reference groups and their needs regarding education and training is presented as a description and evaluation of specific and relevant projects aimed at these groups.

163. The projects illustrate the concepts and approaches central to the national debate on the adaptation of lifelong learning for adults in, or temporarily absent from, the working community.

2.6.1 Women with low educational attainment returning to the labour force

164. The following description starts with the problems faced by single parents with small children in relation to upper secondary education and training. Several of the problems will also be the same as those faced by adults generally in relation to upper secondary education.

Particular lifelong learning needs

165. In autumn 1995, a three-year project commenced in which one of the sub-projects was to examine more closely the adaptation of upper secondary education for adults and especially its adaptation for single parents. Two counties and ten schools participate in this research project. In the 1996/97 school year, 221 students started in the autumn. Nineteen more joined during the school year while 52 left, leaving 188 participants at the end of the school year in 1997. A large number of these are single parents.

166. There are different reasons why adults wish to obtain a more adapted training:
- to complete interrupted/unfinished initial education and training, usually at upper secondary level
 - to build on existing skills acquired looking after children and in the workplace
 - adapted arrangements which are flexible in relation to caring duties and work
 - knowledge and skills in the use of information technology.

Barriers to lifelong learning

i) economic disincentives

- Single parents generally have limited means and tight time constraints
- The problem earlier was few incentives for single parents to make the effort to obtain education and training. The right to support until the youngest child reached the age of 10 made it possible to become simply a passive recipient of benefits. From the start of 1998, the time in which one may receive this support without pursuing some form of education and training or seeking work has been shortened to three years to be taken before the youngest child reaches the age of 8. If one starts education or training, the benefit period increases by a further two years. In other words, a person seeking education may receive benefit for up to 5 years during the period before the youngest child reaches the age of 8.

ii) financial barriers

- Financial arrangements are now better adapted so that single parents may pursue education and training. Benefits are reduced if one seeks neither education nor work.

iii) non-economic and non financial barriers

- It is often difficult to obtain a place of study in the desired subject area near one's domicile. Adults with caring duties are most often dependent on studying near home, family and kindergarten. Adults also often seek only a certain field of study which is not on offer at the nearest upper secondary school.
- Because adults do not have an automatic right to upper secondary education, there is no guarantee that they will be able to complete a started course of study. This means they risk not being admitted to Advanced Course I or not obtaining an apprenticeship place; the effort expended in obtaining an education thus may not lead to a completed course of study.
- Even if the law and regulations do, to a certain extent, provide the means to have recognised earlier documented education, work experience and caring duties, in practice it is not automatic that this will count as a credit against the curriculum requirements. This means that time must be spent going over and working with the professional knowledge one already has.
- Upper secondary education initially organised for a large cohort of young people often proves inflexible when it comes to adults. Adults may lose the status of pupil if they absent themselves too often from the obligatory attendance at school. Experience from the "Partial Qualification Project (Delkompetanseprosjektet)" shows that the flexible use of individual arrangements on home study, study days and a differentiation between sick leave and absence for the care of sick children may be one way to proceed.

- Access to guaranteed kindergarten places may be the problem in some areas.
- The traditional supply of education (usually general education) for adults is most often provided during the evenings. Single parents are dependent on stable arrangements for the care of the children. Kindergartens are most often closed during the evenings.
- The right to study loans may become problematic when too slow progress is being made in the studies.
- In some counties, there may also be problems with support for school transport.
- Motivation and social belonging are important elements needed for a good learning environment. Many single parents have low self esteem when it comes to education and training. Experience shows the need for close and confidence-inspiring follow-up by class teachers. It can be difficult to be an adult in a group dominated by young people. Experience shows that a sense of social belonging linking single parents and other adults is an important factor in preventing single parents from giving up when problems emerge. Classrooms set aside specially for adults increase this sense of belonging.

Conclusion: In the case of single parents, it seems that there are greater difficulties in relation to “non-economic and non-financial barriers” than there are in relation to the current measures concerning “economic and financial barriers”.

2.6.2 Employed skills or professional workers in need of new skills, competencies or knowledge in order to retain their current job

Televerket - The Rørvik project

167. There are few areas where the work has changed so radically as in telecommunications and the telecommunications industry - practically nothing is left from earlier systems and methods. There are two main causes for this: rapid technological change and intensified competition in the global market.

168. Nowadays, the subject is not only telecommunications but telematics. The word “telematics” derives from *telecommunications* and *informatics* and reflects that technically it is a blending of two different fields, a blending which is of recent date. Telematics is of great importance for the development of a modern society. As infrastructure, telematics links enterprises, local communities, regions, countries, continents and the globe itself into a world wide communications network. Many different operators and competitors have emerged with different communications networks and now there is a demand from users that the competing networks be compatible. At the same time, communications techniques are steadily being developed so that, today, one needs knowledge of informatics as well as telecommunications.

169. Resulting from new demands from clients and the struggle to gain competitive advantage, operators within the telematics field have developed new services. Some of these are completely new services; some are the further development or combination of existing services. In order to be a major competitor in the global telematics market, an operator must reach and maintain a high level of quality. A high level of service must be provided while the operator also maintains a competitive price level. This, in turn, requires the use of the latest developments in the field.

170. At the same time, planning must be flexible and expansion carried out within low development, construction, operation and maintenance costs. One must be able rapidly to find out where good returns

may be had from required investments and one must also consider previous investments and obligations. The new expansion must simultaneously be compatible with existing platforms such as communications networks and equipment placed with clients. All in all, there are many large technical challenges which must be handled effectively and this poses a corresponding demand on the competence of the individual worker. For most workers, this means comprehensive training and, in many cases, this training is so all-embracing that one may speak of re-education.

171. Telenor A/S is Norway's dominant telematics operator and aims at being amongst the world's best as regards quality, service, efficiency and price. Telenor is state-owned and has, in accordance with the authorities' regional policy, the objective of maintaining jobs throughout the country. One of the company's activities which is located away from the main population centres is the Telenor Mobil division. Telenor Mobil is located at Rørvik, a small town halfway along the Norwegian coast. It is more than 200 km to the nearest higher education college and almost 350 km to the nearest university, involving respective journeys of some 3½ or 5 hours by car each way. This is too long a commuting distance for students from Telenor Mobil to follow courses while being a part of the regular workforce.

172. The solution to this problem occurred when Telenor contacted the upper secondary school at Rørvik, Ytre Namdal Upper Secondary School, to organise college/university education in informatics. The school contacted the Norwegian University of Science and Technology (Norges teknisk-naturvitenskapelige universitet, NTNU) in Trondheim to organise the courses. Through its co-operation in NITOL (Noregsnett med IT for Open Læring), NTNU was able to offer tailor-made arrangements derived from the standard college/university courses for the Telenor Mobil employees at Rørvik. NITOL offers distance education based on the Internet and is a co-operative venture between NTNU and colleges in Agder, Stord/Haugesund and Sør-Trøndelag.

173. The course is offered as a distance education course over the Internet supplemented by a 2-days gathering in Rørvik three times a semester. The students have free access to computers and the Internet through Ytre Namdal Upper Secondary School. In addition, local guidance and support are also provided at the school for those who wish to avail of it, twice a week. The students also have access to the Internet through work and several have private access. Studies last for two years and the employer gives 50% time off to follow the course.

2.6.3 Unskilled workers in industry

Introduction

174. A large proportion of Norwegian industry is still manned by workers who are characterised as unskilled. This group is formally defined as workers who have not acquired a training and subsequent trade certificate under the Vocational Training Act. There is, however, a significant variation in the education received by members of the group from the state education system - ranging from secondary school level to a general college certificate providing admission to higher education.

175. As part of a project on barriers against unskilled workers' participation in in-service training, the Workers' Educational Association of Norway (AOF) has carried out two studies in the Norwegian fishing industry. Both were carried out in remote parts of Norway. One firm examined is situated on an island in Hordaland county on the west coast of Norway while the other is in Vesterålen, a group of islands in the northern part of the country.

176. The Hordaland firm has two divisions, one dealing with the breeding and slaughtering of salmon, the other with processing. The Vesterålen firm produces fresh, frozen and cured fish products using fish

caught by independently-owned and other trawlers. The salmon farm firm employs approximately 100 workers while the firm involved in the production of other fish products has over 200 employees and is part of a larger group of companies. Skilled workers account for only a small proportion of employees at both workplaces.

177. Nearly all the production line workers at the two firms involved in this study were women with a minimum two years of upper secondary education; the majority of those interviewed also qualified for further studies. The men held different jobs, notably in transport and maintenance but also among management and warehouse staff. They had, on the whole, less formal education from the state system.

178. There are technological similarities between the two firms as the production line where the fish is transported and prepared is an integral part of both workplaces. The work is monotonous while a high tempo and complete precision are demanded of the worker. A rotation system has proved difficult to implement at both workplaces as some of the employees have been allocated varied, interesting and subsequently easier work than their colleagues.

Barriers against training

179. The different barriers arising at managerial level, preventing offers of staff training, depended on the size of the firm and the differing forms of ownership. Middle management was responsible for training in the larger firm. They were fully aware of the need for a training programme but they failed to convince top management. They needed the go-ahead from the top as the training required considerable resources. This resulted in nothing being done.

180. The smaller firm, which was family-owned, had never invested in training. This firm had no middle management but the owners feared that providing training leading to a formal qualification could lead to wage demands from the workers. Nine of the employees at this firm were allowed to take the theoretical part of the trade certificate at the turn of the year 1994/95. Those who had already taken this had, however, not been given the opportunity to advance to other jobs within the firm. The owners considered the course to be too theoretical to qualify for advancement.

181. The majority of production workers in both firms were found to have a strong and widespread desire for what has been defined here as supplementary training. The reason for this stemmed from a strong need for job rotation due to health problems. There were a number of reasons why their wishes had not been granted. There were conflicting interests between the workers who had favourable light and varied jobs and those with the heavier and more monotonous jobs. The workers with the favourable jobs were not interested in sharing them with the others and they used different defence strategies such as secretiveness in the salmon firm and the ignoring of rotation in two departments of the fish-processing firm. Another barrier among the workers was the attractive bonus and piece rate pay system which tempted them to specialise in order to earn more. This worked against the general implementation of expanded rotation. A further barrier against expanded rotation and supplementary training is provided by gender-segregated labour markets and strong opinions as to what comprises man's work and woman's work.

182. The main barrier where management is concerned is the lack of organisational knowledge. This combined with the fear of lower productivity either in a transitional period or permanently prevented them from approaching the problem. Not even the opportunity to reduce a high rate of sick leave is sufficient to get management to act. A high rate of sick leave and extensive health injuries produce in turn barriers, for the employees, against training. They consequently consider their jobs as only temporary and are not interested in any further training. Many of them, however, remain "stuck" in their job.

183. The union branch committee at both workplaces has never really been involved in the question of training.

184. Management development with the increase of managerial skills and a more serious involvement from the union branch committee in the question of training seem to provide the conditions needed for firms in the fish industry to implement different practices concerning the training of their employees and the organisation of work.

2.6.4 Trade certificate for adult workers - example

Cleaners take the trade certificate

185. In recent years in Norway, the Workers' Educational Association (AOF) has actively worked to encourage adults to take the trade certificate under section 20 of the Vocational Training Act. The section 20 provision is a documentation measure allowing adults the opportunity to take the trade examination in the same way as apprentices but without an apprenticeship period in an enterprise.

186. Trondheim AOF is one of the country's largest course providers in this field. In one of the trades, the cleaning trade, the association has taught 13 courses since 1995. Two new courses start during March 1998. More than 300 cleaners have taken the examination in the 1995-98 period. The number of failures is amazingly low, especially considering that this is a group with very modest formal education. The majority has only lower secondary education (grunnskole) and has not been near a school bench in 15-30 years. The average age of participants is probably around 40 years of age - and may be higher.

187. Cleaners belong to a trade where, traditionally, training has not been offered, either internally or externally. They must mainly rely on information they receive from travelling salesmen. Professionally, they have little to contribute when products are presented to them.

188. The trade was recognised under the Vocational Training Act in 1994 and, with this recognition, grew the awareness that the workers needed, and desired to have, education and training.

Needs

189. Cleaners, as stated above, have a low level of formal training. They had wished to have training but the wish was not realised.

190. Previously, knowledge about working with materials, chemicals and machines was insufficient. Cleaners had professional needs, but personal development was at least as important. Self-confidence and belief in their own skills increased proportionately during the course. This has led to the workers being given more responsibility at the workplace. Employers have made the most of this acquired knowledge which, in some cases, they lacked themselves.

Barriers

191. Low self-esteem was probably the greatest barrier for cleaners. How would they, who had not been at school for some decades now, be able to master a course in the theory of a trade and take two examinations?

192. They needed help. Initially, appropriate conditions were needed at the workplace. This was not a problem at the large organisations and it could have been worse at the others. The commitment of employers to the formal training of cleaners varied.

193. Financially, they also needed support through the trade associations' scholarship measures. In some cases, the employer also contributed. In any case, most of them had relatively large outlays.

Motivation

194. Many participants also had bad memories from their period at school. AOF had to expend much energy explaining that adult education was not the same as primary education. The participants had to be motivated.

195. Courses are adapted to the needs of participants. One such adaptation was provision once a week over a long period of time. In addition to the professional goals, AOF also wished that participants should come to feel secure in the training situation.

196. After approximately ten courses were completed, Trondheim AOF offered a specialised course to the cleaners who had taken the examination. The course does not give a formal qualification but was arranged taking into account the tasks the cleaners had received after taking the trade certificate and the tasks they might expect to face in the future. Computer training, business training with management and organisation theory and project work were the main ingredients. The project work favoured themes innate to the profession, such as tendering and cost estimation.

197. Between autumn 1997 and spring 1998, 60 cleaners with trade certificates began the specialised course.

CHAPTER 3: RAISING THE RETURN TO LIFELONG LEARNING

3.0 THE INVESTMENT IN LIFELONG LEARNING

198. The authorities in Norway spend considerably resources to meet the aims of education and training policy. Total public expenditure on education was 59,155 million NOK in 1994. This constituted 6.8% of the Norwegian GNP. The distribution of public expenditure by level of education is shown in the table:

Figure 13 Distribution of public expenditure on levels of education

Levels of education	Total expenditure in %
Primary and lower secondary	32.6
Upper secondary level	23.6
Tertiary level (higher education)	22.5
Literacy and adult education	1.7
Other types of education	10.5
Expenditure not distributed	9.1
Total expenditure	100,0

Source: Statistics Norway.

199. Out of a total of 59,155 million NOK, 54,627 million consisted of current expenditure, while 4,528 million consisted of capital expenditure. Governmental expenditure on private education was 0,916 million NOK in 1994 and 0,889 million NOK in 1995. The decrease in real expenditure is mainly explained by a general decrease in the number of pupil and students from one year to another.

3.1 COSTS AND BENEFITS OF LIFELONG LEARNING

3.1.1 Foundation learning

200. A large scale reform of upper secondary education was implemented from 1994, see Chapter 2.0. The reform also meant a major shift in financing principles. The comparison of cost before and after the reform seems to have no major information to the study.

Possible cost reductions in the future

201. The clear policy aim for primary and lower secondary education has been to maintain a strongly decentralised school structure. This helps prevent depopulation in sparsely populated areas and contributes to vibrant local communities. As a result, Norway has many small schools and classes.

202. Individual municipalities decide their own school structures and are thus better able to fill classes etc.

203. At the upper secondary level, there is also a decentralised structure. The counties have full authority to determine the school structure, within the framework of the decisions concerning the type of education and training to provide, the number of places etc.

204. The reform in upper secondary education and training contains elements designed to ensure the efficient use of resources including:

- 13 broad foundation courses ensure better filled classes and at the same time are the basis for a decentralised school structure.
- The statutory rights for the individual pupil to upper secondary education contributes to fewer changes of courses and a better flow through the system.
- The main model for vocational training includes a concluding period of training in an enterprise. The need for investment in equipment is thus considerably lower than in a pure school-only model.
- The counties are also responsible for providing a certain level of adult education and training. To some degree, this provision occurs through adults becoming pupils in ordinary classes, thus helping to fill up the classes.
- More and more attention is being paid to information technology and distance education at upper secondary level. Examples of this are the nation-wide provision of training in lesser trades and across a range of subject areas.
- For adult pupils, the number of hours of schooling may be reduced by up to a third compared with the standard number.
- Very many adults use external candidate arrangements in upper secondary education. The level of education is adjusted according to need. Both public and private institutions and organisations offer education leading to external candidate examinations.
- Many upper secondary schools have established resource centres which sell training to enterprises, public institutions, organisations, etc. This creates possibilities for the better use of premises, equipment and the available teachers.

Competition

205. At primary and lower secondary level, direct competition for pupils does not occur at the moment.

206. Norway has a certain number of private upper secondary schools which, to a certain degree, may choose to market themselves as such.

207. The employment authorities put out calls for tender when they wish to purchase education and training.

208. At the adult education level, competition is increasingly an issue but there is no national system to document it.

209. The folk high schools (folkehøgskole), which are a type of examination-free school, have from 1998 set up a system for the documentation of schools and the evaluation of pupils according to criteria decided by the ministry. The recognition of such documentation by the ministry is, among other things, necessary to enable pupils to obtain points for admission to higher education.

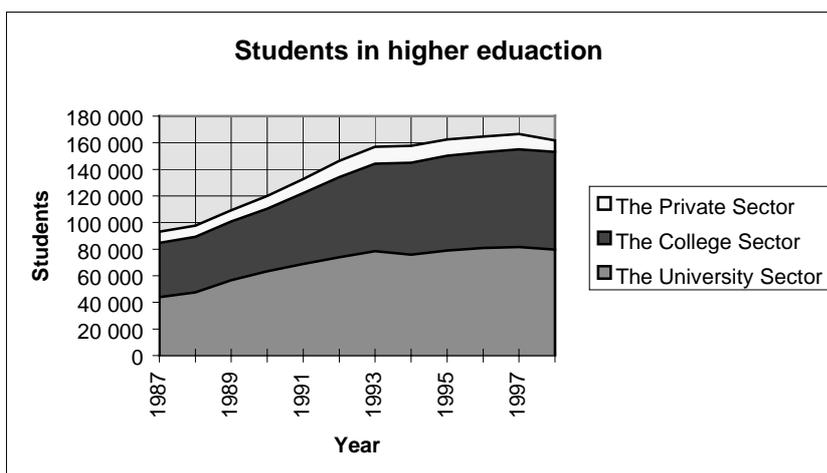
Cost evaluation over time

3.1.2 Tertiary sector

3.1.2.1 Number of students and expenses in higher education

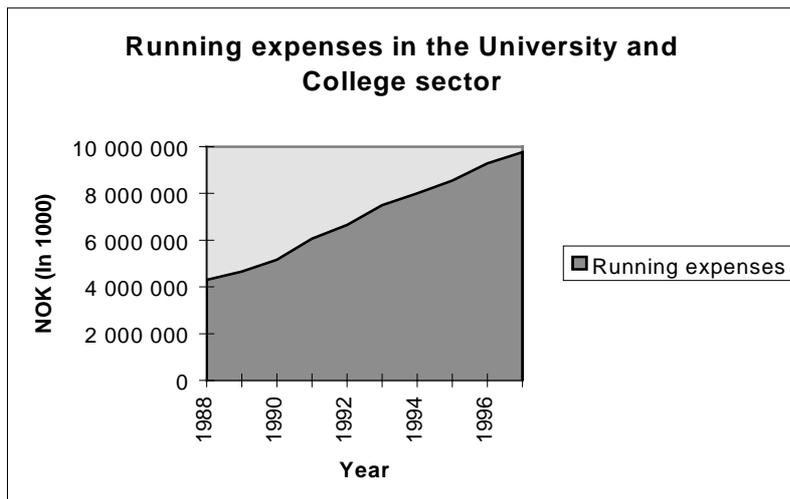
210. Figure 14 shows how numbers of students registered in higher education have increased from 1987 to 1998. In the figure, higher education includes the Private Colleges, the State Colleges, Universities and the University Colleges.

Figure 14 Students registered at the Universities, at the State Colleges, and at the Private Colleges



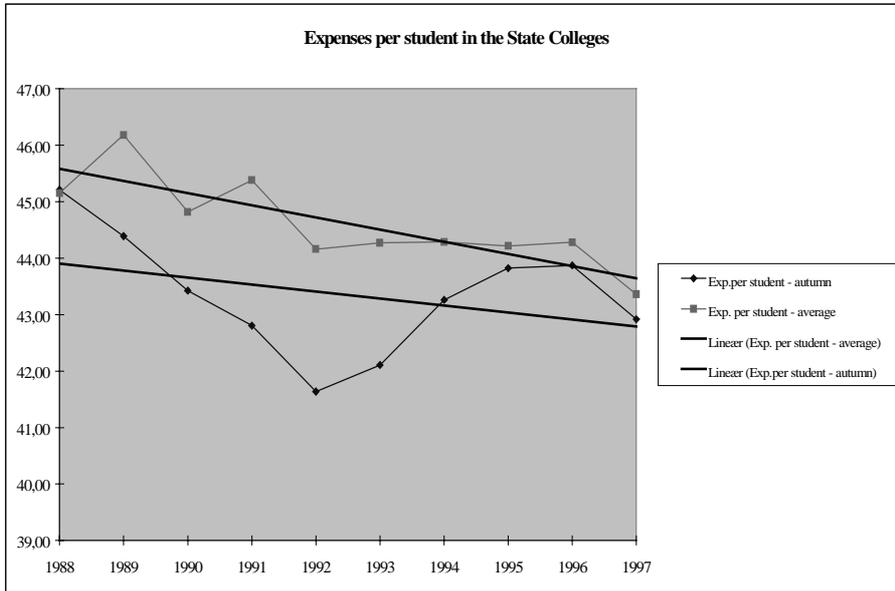
211. In Figure 15 we can see an increase in running expenses from 1988 until 1997 for the Universities, the University colleges, and for the State Colleges. This trend is consistent with the trend as shown by the increase in numbers of students. The *increase in the price index* has not been taken into account when analysing how the costs have been changing over time in this figure.

Figure 15 Running expenses in the University- and College sector



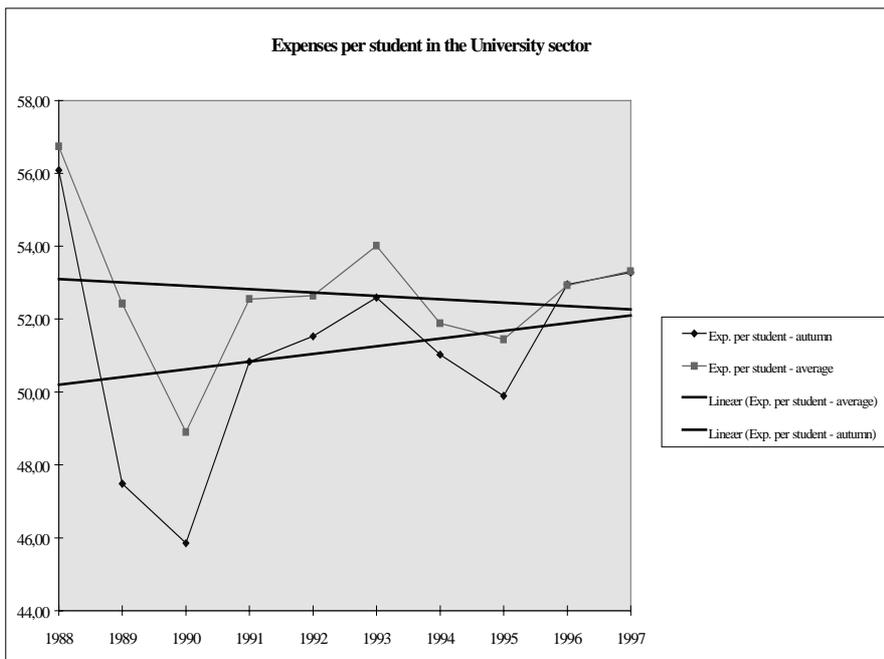
212. The change in expenses from 1988 until 1997 are shown in Figure 16 and Figure 17 for the State Colleges and the University sector, respectively. The figures show both: 1) the expenditure per student registered in the autumn, and 2) the expenditure per number of students as an average throughout a year.

Figure 16 Expenses per student at the State Colleges



213. In Figure 16, we can see that the expenditure have decreased through these years for the State colleges both when looking at the students registered in the autumn and the average number of students throughout the year. The costs were low especially in the beginning of the 1990s.

Figure 17 Expenses per student in the University sector

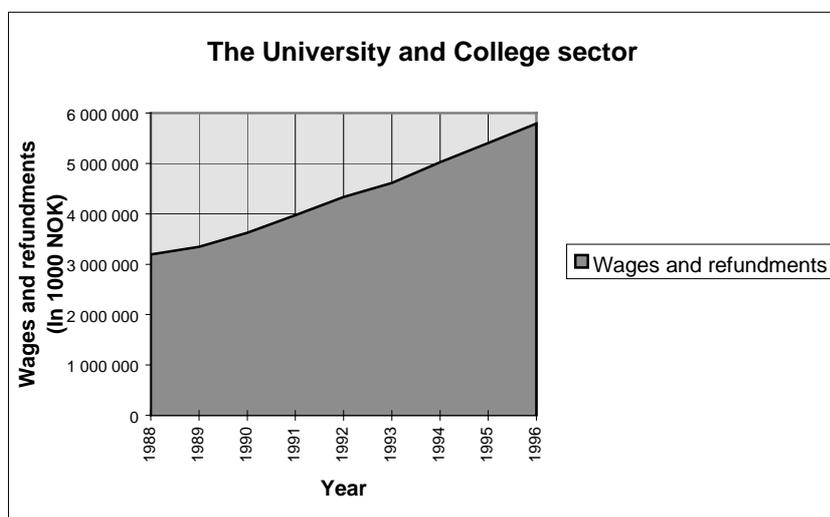


214. Expenses per student in the University sector have not been decreasing as much as for the State Colleges. In figure 17 we can see an all over increase in the expense when taking the registered students in the autumn of the years into account, and a marginal decrease when looking at the average number of students registered through the whole year. The costs per student were especially low late in the 1980s.

3.1.2.2 Employed people and expenses on wage

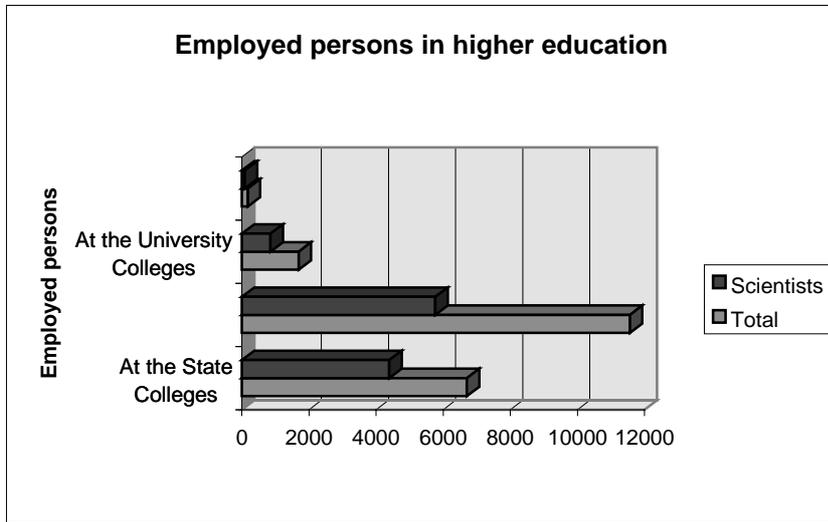
215. In figure 18, the wages and refunds are taken into account when analysing how the costs have been changing over time. Compared to the expenses analysed in figure , the expenses on products and services are excluded.

Figure 18 Costs of wages and refunds in the University and College sector



216. The distribution of employed persons in the higher Education systems are shown in figure 19. Both total number of employed persons at the different types of universities and colleges and the number of scientific personnel only, are shown. There are most people working at the four universities of Norway, and fewest people working at a college of art and design. The numbers are one reason why more people work at the State colleges. There are only six of the University colleges and all together twenty-six of the State colleges.

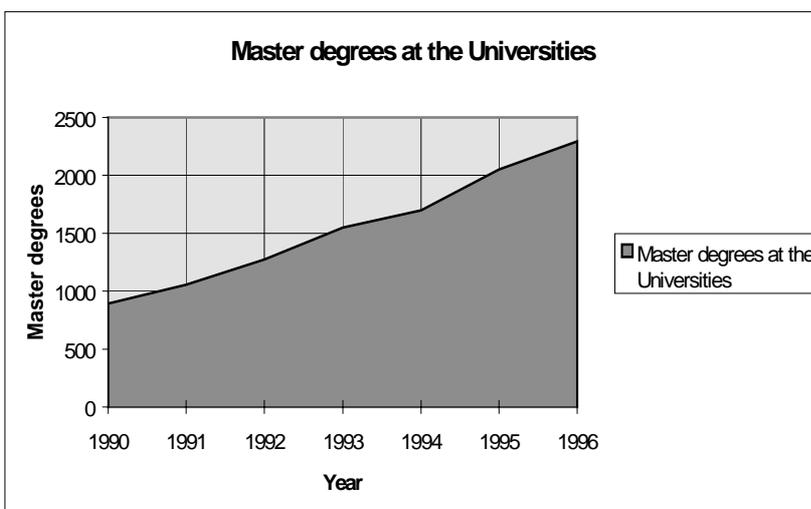
Figure 19 Numbers of persons employed at the universities and at the colleges



3.1.2.3 Master and Doctoral degrees

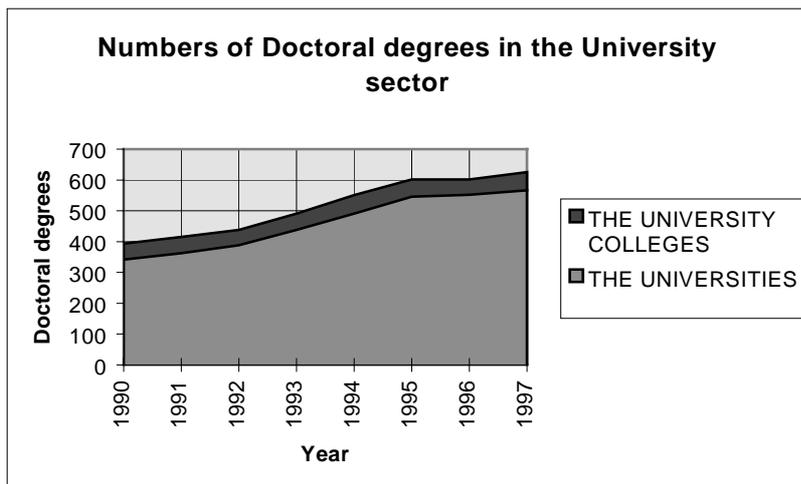
217. Numbers of Master and Doctoral degrees have been increasing the last ten years. The increase can be related to the increase in number of students who are shown in figure 14. The following figures show this trend.

Figure 20 Numbers of Master degrees finished at the Universities



218. Figure 20 shows the increase of Master degrees at the four universities of Norway from 1990 to 1996. In 1990 there were less than a thousand of students getting a Master degree, while there in 1996 were almost two hundred and fifty.

Figure 21 Numbers of Doctoral degrees in the University sector



219. Figure 21 shows that Doctoral degrees have increased from about four hundred in 1990 to the high side of six hundred in 1997 when taking both the universities and the university colleges into account. This implies an increase of about 50% during these years.

3.1.2.4 Factors that might explain evolution of costs

220. The historical aspect of the development of the education sector in Norway, will still be of importance in the future. The history of Norwegian educational policy after the Second World War can roughly be divided into three main phases. Until the mid-1960s, the main political focus was on expanding the system, in order to provide access to education for a greatly increased proportion of the population. The next decade, while still a period of strong quantitative growth, was marked by far-reaching reforms in the structure of the education system. In the last decade, the main political emphasis has been on what in a wide sense could be termed the content of the education offered, which to a great extent amounts to a question of who controls education (OECD, 1990).

221. The current situation is characterised by uncertainty about future directions, tendencies towards defensive entrenchment within institutions vague attempts to become more “effective” by adopting managerial methods alien to the institutional culture, and various other forms of adoption to outside pressures. Factors that might be of importance when explaining the evolution of costs are many. Expected influence the education sector in Norway in the future includes: influences from the standard of education abroad, the development of information technology including telecommunication, and the demand from the industry sector.

222. The evolution of costs in the education sector can be influenced by the increase in knowledge among people, which can result in changes and influences in the society and in the labour markets. The demand for knowledge is expected to increase. People have to use their resources to be informed by the new knowledge, and the employers require increased knowledge among the labour force since traditional work often are exchanged by more advanced methods. Education can influence people to reduce skills between generations and social relations. Knowledge is also important for political influence. In these terms the adult education will play an important role by meeting these challenges. Higher and adult education is mainly financed by the public sector, while finance from the labour markets and the students themselves may be of more importance in the future.

223. The higher education has mainly been financed by the public sector. The evolution of costs will also be influenced by what the politicians find important of improvements in the sector of higher education. A main goal is improvements of the studies. This goal can for example be reached by reduction of average time used by the students to complete, by reduction of time student's use for earning money when studying, and by reduction of failures on the exams. Improvements of the studies can be reached by increase in efforts given by the students themselves, through the instructions, and through financial contributions (NOU1988).

224. A major purpose in the development of the education system will still be to ensure that people of all backgrounds, all social groups, both sexes, and all occupational orientations, were provided with equality of educational opportunity (Rust 1989). Policies for equality in terms of educational services have long traditions in Norway, and will still be one of the main priorities in the development of the education system. A general tendency in recent years, has been decentralisation of decision-making within the educational system which has led to an increase in the professional autonomy of the individual schools and institutions.

225. Beside the goal of encouraging the same opportunities to education for everyone, a main goal is to evolve an education of high quality. High quality implies: development of relevant competence which is required by employers, development of education which make use of methods testing different arguments, development of research in productive environments, and opportunities for engagement and rational debates of the society. High quality is expected to give rise to increased standard of living (NOU 1988).

226. Important interest groups are expected to influence the evolution of the educational fields, beside the factors mentioned above. Examples of interest groups are the teacher unions and economic organisations. Adult education associations, and the interest groups behind them, have a major share in running adult education. Student organisations also have a say, especially in higher education and in relation to student welfare policies.

Possible costs reductions in the future

227. There may be possibilities for cost reductions in the public sector by letting external sectors, for example the industrial sector, finance the higher education system of Norway. The last years there have been an increase in finance by external sources on the research sector at the universities and the colleges, and on the adult education.

228. If the education evolve more to fit the demand from the industrial sector, this may result in reduction of considerations like equity among students, room for manifold, and personal needs. Also, there may be less supply of decentralised education. Since these goals are of importance in the education sector of Norway, increased finance by the industry sector may reduce the quality of education.

229. Since one of the large challenges is to be aware of possibilities for using the resources more efficient, goal settings are given in the beginning of a year. The Department in co-operation with the different institutions is working out goals and plans for the activity. At the end of a year, each university and college, evaluate the results by comparing with these goals and plans (NOU1988).

230. Investment in higher education, research, and work of development is investment in economic and cultural growth in the future. It is of importance that there is motivation for qualification present in the society. For this reason, it is of important to be aware of what is required by the personnel, the premises, and the equipment.

Competition

231. There is expected to be more competition among students, employers, and institutions. In the coming years, a period of large age groups will gradually be succeeded by a period in which youth will become scarce in Norway. The institutions of higher education may have to make themselves more attractive to the young, in view of increasing competition from both the labour market and from other channels of information, training and competence building.

3.1.3 Adult Education and Training

Figure 22 National Fiscal Budget. Grants to Adult Education 1994-97. Million NOK

	1994	1995	1996	1997
Adult Education*)	941,6	913,8	944,4	972,1
Labour Market Training**)	2.284	1.887	1.666	1
				342,0

Notes:

*) Grants for adult education on primary and upper secondary level are not included. Loans and grants to students are not included.

***) Grants for subsistence are not included.

Source: KUF.

3.1.3.1 Basic literacy programmes

232. Norwegian language tutoring for adult immigrants is by far the largest of Norway's basic literacy programmes. This tutoring is given free of charge to all adults who come to Norway, with the exception of citizens whose mother tongue is Norwegian, Sami, Swedish or Danish.

233. The local authorities are responsible for providing this tutoring. The Government gives grants to the local authorities to cover most of the costs. These grants are calculated on the basis of the costs and are allocated on the basis of an hourly rate and a rate per participant per hour. The local authorities claim a refund from the Government for these costs.

- The costs per participant per year are estimated to be about NOK 14,000 in 1998.

- Most of the costs derive from teachers' salaries. Norwegian language tutoring is part of an all-important strategy for integration. The costs of recruitment, motivation, administration etc. will therefore to a large extent be part of the total government effort directed at adult immigrants.
- In order to facilitate integration and make it easier for these groups to find work, the authorities' policy is to arrange for settlement all over Norway. There is often considerable variation in their cultural and educational backgrounds and this affects the size of the classes. In many local districts this reduces the possibilities of setting up classes on the basis of a pedagogical evaluation. In local districts with few immigrants, the classes are often small and expensive.
- A great deal of work has been done in recent years researching and developing courses in Norwegian for adult immigrants. The system has recently been changed to what is approximately an ability-based system, where the length of tutoring is determined by the proficiency of the individual. The costs of the tutoring itself will thus increase, while the benefit to the individual and his or her chances of further education and work are assumed to be considerably better.
- Tutoring takes place both during the day and in the evenings. This makes for good utilisation of classrooms and equipment.

234. Considerable importance is also attached to starting tutoring as soon as possible after arrival in Norway.

235. In a number of places, programmes combining language tutoring with work training are provided with the help of the Government Employment Services. The results are promising with regard to motivation, benefit from the tutoring and social and cultural integration. The Confederation of Norwegian Industry and Business and the Norwegian Federation of Trade Unions have also helped to develop programmes which combine language tutoring with work.

236. Most local authorities elect to take responsibility for the courses themselves. In a number of local districts, however, they co-operate with folk high schools and adult education associations in providing the courses. Many local authorities co-operate with non-governmental organisations in order to promote language learning through activities other than pure tutoring. The Ministry encourages this approach.

3.1.3.2 Retraining programmes for long-term unemployed

237. The Public Employment Services emphasise the importance of adapting courses to enhance the possibilities of job placements for the long-term unemployed. Courses may be based on pure tutoring or tutoring in combination with work training and work practice, depending on the background and the needs of the long term unemployed.

238. In general, the labour market authorities emphasise short, work-related courses. The labour market authorities choose the organisers on the basis of tenders. This means that a wide range of public and private providers of education are now active in this market.

239. The courses vary considerably in length and content. It is therefore meaningless to talk of unit costs in relation to the courses themselves. However, the labour market courses offered by the PES in the first half of 1997 were arranged on basis of a mean monthly cost per participant of NOK 6 700, excluding remuneration to the participants.

240. Labour market programmes are continuously being assessed in order to study effects and to try to tailor the programmes to the needs of the unemployed. The evaluations have shown positive results with regard to improving job opportunities and income. Among the different labour market programmes labour market training were among the programmes with best effects. The evaluation also shows that immigrants, who are often long term unemployed, have better chances of finding jobs after taking part in labour market programmes, than do the non-participants.

241. In its plan for a "competence reform", the Government has emphasised the importance of basic education. In Norway, too, there is a clear connection between the lack of basic education and long-term unemployment. The upgrading of basic education through the education system and the competence reform may over time make it easier for the labour market authorities to direct their efforts more effectively towards vocational training for the long-term unemployed.

3.1.3.3 Job-related training for employed workers

242. As described in Chapter 2, job-related training for employees is the responsibility of the employer. The only available estimates of costs are by industry and it is not very relevant to try to work out average costs.

243. In the Government's plans for a "competence reform", considerable emphasis is given to co-operation with the workplace, and there are clear indications that adjustments will be made to use the whole educational system to meet the needs of the workplace for competence. A significant part of these adjustments will clearly be based on distance education and the use of IT in order to make it possible to develop the workplace as a place of learning and combine work with tutoring in a better way than is the case today. The cost of substitutes and lost production represent the largest outlays relating to this tutoring today.

3.1.3.4 Other adults

244. The largest number of participants in adult education in Norway is to be found in the adult education associations and the independent distance education institutions which have about 750,000 and 100,000 participants respectively each year. These non-governmental providers of education offer courses in a wide range of subjects and at different levels of proficiency. These activities are regulated by the laws governing education and they are thus part of the educational system.

245. These institutions enjoy a large degree of freedom and can plan their activities and give priority to target groups as they wish. Both the organisers and the courses offered have to meet certain formal standards in order to qualify for government subsidies.

246. Subsidies are given in the form of block grants to the individual institutions or organisations, which are free to decide how the money will be used. On an average, the grants cover 20-25% of the overall course costs. The remaining costs are covered by the individual participants and in some cases by the employer or by organisations.

247. This interaction between the authorities and non-government institutions and organisations has long been customary in adult education in Norway. The government's share of the costs used to be higher, but the principle of cost-sharing between the government, the individual participant and any other contributors is a firmly established practice in these sections of the adult education system.

3.1.4 Information and Communication Technology and Distance Learning

248. "The Norwegian Network with Information Technology in Open Learning (NITOL-project):

The Norwegian universities and colleges are connected in an electronic infrastructure. Some of the universities and colleges are now co-operating in offering students both on and outside campus electronic access to lessons given at the institutes through Internet. The simplest model is transmission of lesson content through (electronic) text, possibly illustrated by diagrams, sound, simulations etc, through Internet. By combining the use of a video camera and computers (low cost equipment) in the classroom, students outside campus have access to the lessons at the same time as the lesson is presented. This gives a possibility for flexible use of lessons ordinarily located at the institutions. The student can pick up the lesson when it fits her/him (asynchronous), or other teachers can integrate the lessons in their courses (re-use, multiple-use). The institutions participating in this network have signed a contract on how to co-operate and share the lessons/learning materials. In addition electronic conferences are set up for communication/discussions and for delivering/answering of homework/tasks between the students, teachers and tutors. As an example it can be mentioned that in two weeks 2000 questions from a group of 570 students were answered by the tutors. Up to now approximately 2000 students take part in such an "open and flexible learning environment" each semester. About 90 different courses are this autumn offered as open and flexible learning. A calculation of the costs shows that approximately costs pr credit are 1/5 of ordinary calculation of costs pr credit. This will of course depend on how much work is put into preparation of each lesson and guiding/follow up per student."

3.2 INCREASING THE BENEFITS OF LIFELONG LEARNING FOR ADULTS

3.2.1 Guidance, counselling and referral practices

249. Norway has no established system for guidance and counselling of adults who apply for education and training. In principle, all the services that are available to ordinary pupils and students are also available to adults who need such assistance. In many local districts, municipal adult education is organised in special adult education centres. Adults with a weak educational background and other learning barriers can obtain expert assistance at these centres.

250. The Public Employment Services have established their own system of guidance and counselling for unemployed persons. Individual competence plans are central to this strategy, which also includes a database of available, relevant courses provided by public and private institutions.

251. The employer and employee organisations have entered into agreements which regulate the work of charting competence in the workplace and which set out procedures and assign responsibility for rectifying any lack of competence that is discovered. Competence plans for individual employees are also included in these agreements. Practice probably varies quite considerably from one workplace to the next, but there is no doubt that the employer and employee organisations make a major, valuable contribution in motivating and recruiting members for training. In many professions, this has been efficiently

systematised. In the case of adults with a weak educational background and motivation, experiments have shown that the trade unions play an important role in recruiting these groups for training.

3.2.2 Assessment and recognition of skills

252. Better mechanisms and processes for the assessment and recognition of the skills, competence and knowledge that adults have acquired through work experience and non-formal education and training are high on the political agenda.

253. The Adult Education Act stipulates that adults have the right to have their non-formal learning documented and assessed in relation to formal education and work.

254. Up to now this right has primarily been exercised through external candidate schemes which require no previous education and apply at all levels of the education system. Adults with a certain amount of work experience can document their competence by sitting trade examinations as external candidates. This scheme is now growing rapidly in scope. In 1998, more than 20,000 adults will probably sit trade examinations under this statutory right to documentation ("the Section 20 scheme").

255. In the White Paper on the Competence Reform, the Government follows up a number of the proposals in an official report entitled "New Competence" with a view to making the general right to documentation in the Act more tangible. Endeavours will be made to establish regional "competence boards", which will assess non-formal learning of individual adults and help to fit them correctly into the education system. This will also be followed up by the workplace in the form of a more systematic documentation of work experience and work-related training. The Government will draw up rules to enable adults with proven non-formal learning to be accepted, for example, for higher education.

3.2.3 Wage policy

256. It has been pointed out, among others in the OECD publication "Education at a glance" that international surveys show that education has less significance for the level of wages in Norway than in many other countries.

257. It is customary in Norway for skilled workers to receive higher wages than unskilled workers. This has also become an established practice in most workplaces for adults who gain a trade certificate by documenting their competence through external candidate schemes.

258. Developments in some industries indicate a more competitive, market oriented wage determination, especially in the private sector. However, this may not necessarily relate purely to formal education, but may to a larger extent be due to a shortage of manpower. Furthermore, a tight labour market and high wages may attract students to start working before they have completed their education, especially in the computer industry. In these cases a competitive type of wage determination may counteract the desired input in learning in major fields.

3.2.4 Industrial relations systems

259. In Norway, it has been a clear assumption for the research work that has been done on an adult education reform that the need for competence in the workplace is changing and growing at an ever-increasing speed.

260. The employer and employee organisations, not least, have emphasised that lack of competence at different levels of an enterprise is a serious obstacle to the development and reorganisation that are needed in order to achieve wealth creation and employment.

261. The term "learning enterprises" is used to highlight the need for enterprises to develop the competence of their employees continuously and to organise their activities to ensure that this competence is utilised as efficiently as possible.

262. Interaction and co-operation between enterprises and educational and research institutions is a crucial part of the strategy that is advocated jointly by the workplace and the authorities. This is also one of the assumptions on which the proposed competence reform is based.

3.2.5 Tax policies

263. Tax issues have not traditionally had an important place in the Norwegian debate on lifelong learning.

264. Up to now, employees who receive training paid for by their employer have normally had to pay tax on the value of the training if it can be defined as part of a basic education. The Government has now signalled that it is considering granting tax exemption for all types of employer-financed training.

265. In the case of adults who embark on training and thus have their income reduced, the effect of Norway's progressive tax system is a proportionate reduction of tax in step with the decrease in income.

266. Study loans and grants from the State Educational Loan Fund are not regarded as taxable income. A tax allowance is given for all types of interest on debts at the same rate (30%) regardless of the amount of interest.

3.2.6 Financial accounting and reporting practices

267. There are no special tax advantages today for enterprises which invest in training and competence. Nor is there any established national system for reporting this kind of investment, see Chapters 2 and 3.

268. In recent years, however, the public debate on the need for competence in the workplace has led to an increased interest in the ability to document the input and the amounts invested. In several industries and sectors, the initiative has therefore been taken to introduce a more systematic reporting practice and evaluation of input. These initiatives also derive to some extent from the stricter demands on enterprises to document competence in tenders etc., and from the agreements made between the employer and employee organisations to establish competence charting systems and training plans in the enterprises.

269. No proposals have been put forward by the authorities, aiming directly at increasing investments in competence in the workplace. Indirectly, however, in proposals for greater adjustment throughout the education system in order to meet the needs of the workplace, the authorities have offered pointers which will probably lead to more systematic documentation and reporting of investments in competence and training in the workplace in the years to come.

270. This will be an important contribution to a more systematic follow-up of central aspects of lifelong learning in Norway.

CHAPTER 4: MOBILISING RESOURCES FOR LIFELONG LEARNING

4.1 SYSTEMIC APPROACH

271. The financing of lifelong learning in Norway can briefly be sketched in the following categories:

- Direct state funding - primarily higher education institutions, private schools (primary and secondary schools and high schools), folk high schools, basic language training for immigrants and labour market training. Loans and grants for pupils and students are also directly financed by the state.
- State sector grant systems for the financing of primary and lower secondary education (the municipalities) and upper secondary education, including the financing of apprenticeship system (the counties).
- Partly state funding to reduce the costs for the participants (study associations and distance education institutions).
- Private financed adult education and training (in-service training, private institutions without public approval etc).

272. Decentralisation of decision-making has been a general trend in Norway since the early 1980s. A major step in that direction was made by the introduction of a new grant system in 1986, in which the local and regional authorities receive a lump sum covering all central government subsidises for school education and culture as well as health service.

273. The state has the overall responsibility for higher education. Traditionally the administrative and financial responsibility has to a great extent been delegated to the individual institutions in the university sector, whereas the non-university sectors until the end of 1995 were administrated more directly from the Ministry. With the introduction of a new Act on universities and colleges, applicable from January 1996, the non-university sector (state colleges) has been accorded the same administrative responsibilities as the universities.

274. The responsibility for financing of adult education is more complex. The public institutions in primary, upper secondary and higher education also have a responsibility for adult education as well. Their adult education are financed in the same way as the other activities. Private and detached institutions and organisations are responsible for important parts of adult education. Employers do have a considerable role by organising and financing education and training for employees, both in co-operation with educational institutions and internal at the place of work.

4.2 SECTOR ANALYSIS

4.2.1 Upper secondary education

The financing of education and training

275. Virtually all upper secondary schools in Norway are owned, financed and managed by the county authorities.

276. The state transfers funds to the counties through a framework transfer system in which upper secondary education and training is one of the criteria used for the calculation of the combined transfer. In individual, smaller areas, funds may still be provided to meet specific goals in upper secondary education.

277. The final period of vocational training normally takes place in an enterprise. The counties provide financial support to the enterprises according to the number of apprenticeship places. The size of the support is determined at the national level and is calculated according to the cost of a place at a school providing a similar level of training.

278. Education is free at upper secondary schools managed by the counties, irrespective of the age of the pupil.

279. The counties are not the only ones providing upper secondary education and training.

280. 51 private upper secondary schools are recognised under a law for private schools. These schools have a total of around 7230 pupils (1997/98). The schools receive public support calculated according to the cost of similar places at the state schools.

281. At the adult level, upper secondary education is also provided by the study associations and independent distance education institutions. These receive public support for their education activities. On average, the support covers 20 to 25 per cent of the costs.

The funding of subsistence costs

282. Pupils at upper secondary level may seek loans and grants from the State Educational Loan Fund (Statens lånekasse for utdanning). If the training satisfies the requirements of the curriculum, the organisational requirements and is of a certain minimum scope, the pupil has the right to financial support irrespective of age and of who provides the training. Loans and grants are calculated according to the income of the pupil.

283. The county covers the cost of travel to and from school if the distance exceeds 4 km.

284. The individual pupil must pay for books and some other materials.

285. Certain employers see the advantage to themselves of contributing to the employees' completion of upper secondary education and continue to pay the employees' salaries or provide other support for the training. There is no comprehensive overview of the extent of this practice.

286. In recent years, several employee organisations have established funding arrangements as part of the agreements with the employers. Members may seek support here for different types of training, including upper secondary education and especially vocational training.

287. The family's contribution will obviously vary according to the situation and expenditures of the family. For young people, the funding received from the State Educational Loan Fund is meant, with careful use, to cover subsistence costs. A certain income may be earned without affecting the support provided. It is common for upper secondary pupils to have some remunerative employment.

288. For apprentices, the learning period is generally divided in two: training and work participation. The apprentices are paid by the enterprise for the work participation period. The level of pay is determined in the wage agreements.

Relative shares of the financial contributions

Average costs stipulated for a full-time pupil in upper secondary education (NOK per year):

- County:	Training	40 000
	Travel costs	5 000
- State:	Grant	
	Interest and principal exemption during training period	
- Pupil/Family:	Books, materials, other	5 000

4.2.2 Tertiary sector

Finance of higher education – the State Educational Loan Fund

289. Since 1947, the State Educational Loan Fund has been responsible for the finance of higher education in Norway. The State Educational Loan Fund works towards achieving equal access to education for students. Furthermore, it aims to promote high completion rates amongst students. Behind these goals lies the view that society as a whole is best secured a future labour force through individuals being able to freely choose the education they please.

290. Over the past 50 years the Loan Fund has successfully administered the complex system of loans and grants which are the foundation of student financial aid in Norway. It is a government-run organisation where the Ministry of Education, Research and Church Affairs provides the Loan Fund with detailed regulations as to how student financial aid is to be both administered and allocated.

291. The Loan Fund's head office is in Oslo. To supplement this office, a series of regional offices has been set up. Approximately 300 people are employed within the whole organisation.

Who gets the financial aid?

292. Upper secondary education, further and higher education are all eligible for financial aid. These grants and loans amounted to 10 billions NOK. During the 1996-97 academic year, a grand total of 228 400 students received financial aid for study at domestic and foreign institutions. Of these students, 11 400 received loans and grants for study abroad, mainly in the countries: United Kingdom, USA, Denmark, Sweden, and Germany.

293. The educational aid scheme which the State Educational Loan Fund administers for study in Norway is primarily reserved for Norwegian citizens. However, under special circumstances non-Norwegian citizens may be granted financial aid.

General Restrictions

294. All applicants must fulfil a set of general rules for getting the financial aid. These rules determine the maximum period of time for which students may receive aid and the maximum amount of student loan a student may accumulate.

295. With a few exceptions, The State Educational Loan Fund can only support higher education for study in non-Nordic countries. The first degree is usually 3-4 years in length, the classic example of which is the Bachelor's degree. This rules out therefore the Associate's degree offered in the US and the Higher National Diploma in the UK. The Loan Fund can also give aid to students who choose to take a second degree which builds upon this first, lower degree. Again, the classic example here is a Master's degree. Finally, the Loan Fund can also allocate aid to those pursuing a doctorate abroad.

The amount of financial aid available

296. The basic financial aid package is based on a 10-month academic year, and is available for all students no matter where they choose to study. It consists of a student loan, an educational grant and a travel grant. When calculating these for individual applicants, the Loan Fund takes into account the income and assets of the applicant. For those over 19 years of age and those undertaking higher education, the Loan Fund does not take into account the economic situation of the parents.

297. The level of support also varies according to the type of education pursued. The support is lower if a student takes upper secondary education than if they take higher education. The financial support is increased somewhat if the student must support a spouse and children and a separate grant is available in cases of sickness and pregnancy.

298. The actual amount of financial aid is set on an annual basis, based on costs in Norway and the most common countries in which Norwegian students choose to study. The travel grant for study abroad is likewise set on a country-to-country basis, according to the travel expenses incurred between Norway and the destination country.

Repayment of Loans

299. No interest is charged while the student is still studying. Interest starts to accumulate on the loan at the end of the first month after the student has completed or interrupted their education, and no repayment is required for approximately 10 months after interest first starts to accumulate.

300. Approximately 5 months into this repayment-free period, the student will receive a repayment plan, detailing the frequency and level of instalments required. The longest repayment period available is 20 years. For smaller loans, this period is reduced. The repayment system is based on quarterly instalments.

301. A borrower may also at any time apply for a payment deferment or an exemption from interest for a number of different reasons which include: registered unemployment, low-income, sickness, birth and maternity leave, military service, education, and caring for a child.

302. Student loans from the State Educational Loan Fund are personal liabilities and are written off in the event of personal disability or death.

4.2.3 Adult education

303. There is more variation in the financing of adult education than there is in the other sectors of the education system, and the variations in the financing of the different sections of adult education are clear.

4.2.3.1 Basic literacy programmes

1.

304. The largest programme in this category is tutoring in Norwegian for adult immigrants. This tutoring is financed by government refunds to the local authorities which are responsible for providing the tutoring. Government refunds are also given via the local authorities in those cases where other bodies provide the tutoring. (Adult education associations and folk high schools provide about 5 per cent of the tutoring).

305. The general rule that all tutoring costs are met from public funds also applies to other types of basic literacy programmes for adults, such as examination courses for adults at primary and lower secondary level and different types of special education for, for example, the mentally handicapped, aphasic patients, victims of road accidents, adult dyslexics, etc. In these cases, the costs are covered by the local authorities.

306. This type of basic schooling for groups who, for various reasons, do not make use of the public education system is also offered by adult education associations and folk high schools. In these cases, the costs are covered to a varying degree by public funds. Interest groups etc. can play a direct role in financing this type of tutoring.

2.

307. There are no established common, clear-cut subsistence allowance schemes for adults receiving this kind of basic schooling. Most of these adults will be receiving some form of social security benefits (central government funded) or social assistance (local government funded) as the main source of subsistence.

3.

308. It has been and is a clear political goal to give everyone the possibility of schooling in order to develop their abilities and participate in working life and social life. It is therefore customary for the authorities to offer this basic schooling at no cost to the participants.

309. For some groups, it seems to be fairly simple to define the need for tutoring. This applies, for example, to the need for Norwegian language tutoring among adult immigrants. In the case of other groups, such as adults suffering from dyslexia, it is far more difficult to define who is entitled to this kind of schooling. Whether or not tutoring is available to them may depend on local authority priorities. In most cases, the alternative to the public education system is schooling offered by a non-governmental institution or organisation where the individual participant has to pay part of the costs.

310. Today, adults with jobs have no statutory right to study leave; nor are there any established schemes of any size which ensure a subsistence allowance so that they can receive such basic schooling. In the White Paper on the "Competence Reform", the Government proposes a number of measures to make it easier for people with jobs to receive such schooling, see Chap. 6.

4.

311. The weaknesses in the financing arrangements have been discussed thoroughly in the case of Norwegian language tutoring for adult immigrants. The system has now been changed and the knowledge possessed by the individual governs the input of resources to a greater extent than previously. However, government regulations have to be based on average considerations with regard to the size of classes etc., which do in fact vary quite considerably from one local district to another. The design of the grants system has, moreover, made it difficult to provide alternatives to classroom teaching. This is now under consideration with a view, among other things, to making it possible to combine a job with language tutoring.

312. In the case of ordinary primary and lower secondary education for adults and educational needs bordering on special education, some local authorities find it problematic that government grants for these purposes are given as part of a general block allocation without any specific directions laid down in law. It is therefore now clearly recognised that the scope and organisation of the courses provided do not correspond with the needs, see the proposals in the White Paper on the "Competence Reform".

313. For this type of basic schooling, no steps have been taken to ensure competition between the different providers, although the regulations allow the local authorities to choose to co-operate with, for example, adult education associations on the provision of the schooling.

314. For the individual adult, the motivation to start on this type of basic schooling will primarily be linked with the possibility of work, or of further training and active participation in society. Sometimes it is possible for the authorities to make participation in basic schooling a condition for retaining social security benefits, but there are few schemes which give supplementary benefits for schooling.

315. For people who have jobs, loss of income during schooling will clearly hinder them from starting.

316. Generally speaking, the greatest gains can probably be achieved from working to promote greater motivation for schooling and a better adaptation of the schooling to meet the needs of individual adults, for example by developing the workplace as a place of learning.

4.2.3.2 Training programmes for the long-term unemployed

317. In Norway, the financing of labour market training courses and other labour market programmes for the unemployed is a central government responsibility. The labour market training courses are free of charge to the participants.

318. In some labour market programmes the participants receive ordinary salary. Participants in Labour market training courses and Trainee places receive daily cash benefits.

319. The requirement of availability for assignment to work is normally applied strictly.

4.2.3.3 Work-related training

320. Training that is justified by the needs of the workplace is the responsibility of the employer and is normally financed by the employer. This responsibility is laid down in the agreements between the employer and employee organisations. The employees receive training without any reduction in salary.

321. Public sector contributions to financing become relevant if the training is part of a special development programme in accordance with industrial and regional policy, or through certain labour market programmes, such as placement programmes for the unemployed or in-house training.

322. In principle, this training is controlled by the employer, but there are specific routines for employee participation.

323. There are no adequate statistics for the investments made by Norwegian employers in employee training, but this input is estimated to be between NOK 15 and 20 billion per year.

324. Training varies from purely work-related subjects to formal education at upper secondary and higher level. There is a noticeable increase in the amount contributed by employers to make it possible for employees to receive a formal education.

325. Greater adjustment to meet the needs of the workplace throughout the education system is one of the main themes of the White Paper on the "Competence Reform". This also applies to tax-related matters and the individual's possibility of taking leave of absence and receiving a subsistence allowance during training which cannot clearly be said to be the employer's responsibility.

326. In many sectors of working life, allocations are made through the wage settlements to funds and grant schemes and trade union members can apply for educational aid through these. The scope of these schemes has grown considerably in recent years. See, for example Chap. 5, Section 3.

327. One of the most important themes in the political and social debate on adult education is how a greater input from the workplace and from the government can supplement each other and work together to increase the value of and return on the considerable sums that are invested.

4.2.3.4 Other adults

Upper secondary and higher education

328. Both upper secondary and higher education for adults are financed through the ordinary allocations for this purpose.

329. Upper secondary education is the responsibility of the county authorities. The county authorities receive funds for education through block grants from the central government.

330. Adults have no special statutory rights to education, but the county authorities are required to have a certain number of places for adults and other groups of pupils who do not have a statutory right to education (75 per cent of one cohort of 16-year-olds). The costs of providing education of such a scope are taken into account in the government block grant.

331. The advantage of such a system is that it offers the possibility of efficient utilisation of capacity and teaching staff.

332. A possible weakness in this financing is the fact that it does not include elements which encourage the necessary adaptation of the available education to meet the needs of adults. It has also transpired that the government does not have strong enough policy instruments to order the county authorities to uphold the required scope. In the White Paper on the "Competence Reform", the Government proposes ways of correcting these weaknesses, see Chap. 6.

333. Partly as a result of the lack of capacity and lack of adaptation to meet the needs of adults in the upper secondary school, a number of non-governmental courses have been set up where the government contributes to a varying degree to the financing.

Study circles and distance education

334. A considerable part of adult education in Norway is provided by adult education associations and independent distance education institutions. Their courses cover all levels of the education system and include both examination courses and training that has no parallel in the public education system.

335. These activities are regulated by the Acts governing education and the government subsidises part of the costs of these courses for the participants. These institutions decide themselves how the grants are to be used and whether, for example, to give priority to special target groups. On an average, the government grants cover about 25 per cent of the costs. The remaining costs are met from other sources, such as the individual participants, employers, interest groups etc.

336. Participants on courses provided by the adult education associations and independent distance education institutions can apply for loans and grants from the State Educational Loan Fund for courses which have a parallel in the public system.

337. In education provided by adult education associations and independent distance education institutions, it has thus long been the tradition in Norway to share the costs between the government, the individual participant and any others in whose interest it is to provide the training. The extent of this form of education is quite considerable (about 850,000 participants each year), and some of the elements in the method of financing may also be of interest to other sections of adult education.

CHAPTER 5: CASE STUDIES OF GOOD PRACTICE

5.1 INTRODUCTION

338. The two case studies presented in this chapter are both ongoing projects. The two main questions raised in this chapter; the potential to raise the return of lifelong learning and the potential to mobilise resources, are highly relevant for both projects. The presentation of the two projects therefore includes both aspects.

339. The “Lillehammer” project is based on an agreement between the National Insurance Administration (NIA) and Lillehammer College in co-operation with three other regional state colleges in different parts of Norway.

340. The “Scana class” project is primarily a trade union initiative. The target group is supervisors, project managers and field engineers that are employed in Scana Offshore Technology.

341. In the Norwegian debate on Lifelong learning and adult education in particular, the focus is to a great extent on the competence needs of the working community. For both projects the target groups are experienced workers. There seems to be a common understanding between employers, unions and the employees that their competencies have to be upgraded in order to meet the requirements of the customers.

342. Closer links and more formalised co-operation between companies and public services and the education system are highly requested. The two projects are good examples of such a formalised co-operation. The “Lillehammer” project is primarily initiated by the Agency.

343. Four regional state colleges are involved. The union in close co-operation primarily initiates the “Scana class” with the company and their union representatives. The education is organised in co-operation with a non-governmental distanced education institution.

344. Both projects are organised in order to make it possible to combine studies and work. There is focus on flexible arrangements, and the projects use information technology and distance education in the learning process.

345. In the “Lillehammer” project the participants have paid leave for main parts of the studies. In the “Scana class” project paid leave is marginal. A fund that is established as part of the wage negotiations is used to pay for the education. The participants use their leisure time for studying.

5.2 PRESENTATION OF A STUDY PROGRAMME OFFERED TO EMPLOYEES IN NORWAY'S SOCIAL SECURITY ADMINISTRATION

Background

346. The study programme has taken shape in close co-operation between Lillehammer College and Norway's National Insurance Administration (NIA) for social security services. Lillehammer College was chosen as the collaborating college in 1993/94. The NIA is financing the programme, and Lillehammer College has the disciplinary responsibility.

347. The programme was opened officially in the autumn of 1995, with tutoring at Lillehammer College. From the autumn of 1996, the programme was developed into a regionalised model, in which Lillehammer College works together with the colleges in Agder, Bodø and Volda, to offer tutoring and guidance. The partners chosen are colleges of higher education that offer full-time studies on social security, and that are thus familiar with the work of the National Insurance Administration.

Disciplinary and administrative organisation

348. In this co-operative model, Lillehammer College has the main disciplinary responsibility, as well as the responsibility for co-ordinating the programme. The disciplinary management of the programme has been assigned to the disciplinary supervisor at Lillehammer College, who holds the academic responsibility to the NIA for the studies at all the colleges. The disciplinary supervisor is a member of the NIA's steering committee.

349. At each of the four colleges there is a disciplinary co-ordinator who holds the responsibility for the study programme, either alone or together with the people responsible for the modules (see below). At Lillehammer College, the person in this role is also the central disciplinary co-ordinator, because the college is co-ordinating the programme. The central disciplinary co-ordinator takes initiatives relating to the other three colleges and has a liaison function in this regard, working in close co-operation with the disciplinary supervisor.

350. The module supervisors are responsible for tutoring at the four colleges involved. The people with this responsibility at Lillehammer College are also the central module supervisors.

351. The administrative management of the programme has been assigned to the Centre for Continuing Education (*Senter for livslang læring*, SELL), which is an administrative unit at Lillehammer College, responsible for developing and managing higher and continuing education. SELL works in close co-operation with the Study Administration at the college. The administrative leader of the programme at Lillehammer College is also a member of the steering committee.

352. Regular meetings of all the employees who are involved in the disciplinary and administrative spheres are necessary to ensure the quality of the academic content of the programme as well as the administrative tasks and routines.

Objective of the programme

353. The NIA is one of our biggest State departments, with 7,000 employees. One of the NIA's greatest challenges is to respond to the rapid rate of change in society. Employee competence is becoming a key concept. In creating this study programme, the NIA is signalling its wish to provide extensive

backing to its employees. The aim of the programme is to increase the breadth and depth of employees' competence in their own work.

354. One of the department's major challenges is to relate to the interchange between the service and society to a greater extent. This involves pinpointing needs for development and change in time to take proactive measures in describing proposals for solutions, or in implementing solutions when these are within the department's own area of authority. Employee competence is becoming a key concept, and constantly needs to be adapted to the tasks that the department is to carry out. Increasing the competence of employees will create expectations of a new role for professional staff. Employees must acquire increased knowledge of and insight into central aspects of their own work, and must develop an understanding of the significance of their activities in society. The study programme aims to shed light on the function of the national insurance system from the perspective of both the recipient and the official in the department, as well as on the role of the system in Norway's welfare society. The main objective can be summed up in the following key elements:

- In-depth competence:

- Have an insight into the material content of benefit types, and the purpose of the legislation and regulations.

- Breadth of competence:

- Have an understanding of the adjacent areas in case management, and insight into the department's role in society.

355. The new study programme aims to improve the department's capability to meet its challenges, while it is also intended to have an important function in the personnel policy.

356. A survey of the department's needs for improved competence has been carried out. We wanted to get an overview of the actual formal competence held by the employees in the department, among both employees and managers, and of the disciplinary areas that were desired - both those that form a basis for recognised qualifications and those that do not. We also wanted an insight into how employees wanted to carry out a study programme.

Target group

357. The programme is aimed at employees in the National Insurance Administration throughout Norway. There are two target groups for the programme: Those who fulfil the standard college admission requirements, and those who do not.

358. The NIA wishes to offer a study programme of equal value, with equivalent forms of examination, to employees in both these groups. The employees should have the potential for the same career advancement in the department, and compete in the same job market. The department gave Lillehammer College permission to hold equivalent examinations for all students, whether they fulfilled the college admission requirements or not. The condition for this was that the documentation on the examination issued by the college should clearly indicate the differences between these groups.

359. Applicants are offered the same programme, but register in different ways, to even out differences. Applicants who fulfil college admission requirements, take the programme as higher education (which counts for credits).

360. Applicants who do **not** fulfil college admission requirements take the programme as continuing education (which does not count for credits).

361. Students of this type - we call them course participants - still have important practical competence, which enables them to follow the programme without problems. We have taken this into account in developing teaching materials and in other aspects.

362. Students both with and without college admission prerequisites write the same type of examination, which is marked in the same way. Those without admission prerequisites, do not gain credits, but they receive a course certificate that confirms that they have taken the examination in the applicable module, covering work equivalent to 5 credits. The certificate, however, explains that the completed module does not count for credits and is not recognised as part of a university or college qualification, because the candidate does not hold the college admission prerequisites. The module examination for those who do not meet college admission criteria carries the same weight for internal career advancement in the department. The text of the course certificate has proved to be an important motivation factor for this group.

363. So far, experience shows that the course participants complete the programme with results at least as good as those of the students with college admission prerequisites.

364. After completing four module examinations, students with admission prerequisites can take a final examination worth 20 credits. This counts as a full first-year course.

365. Student admissions are centralised through Lillehammer College. Examinations in individual modules take place at the relevant college.

Content of the programme

366. The study programme is based on five modules, with topics related to social security. Each module ends with a 6-hour examination. The five modules are all developed on the basis of a survey of the department's needs. The five modules are as follows:

- Law
- State and municipal studies, with economics
- Sociology of social security
- Educational science and guidance
- Medicine and society.

Structure of the programme

367. Our study programme was developed as an alternative to the regional college's one-year course in social security (full-time study). Full-time students must stay at an educational institution for a year, and attend traditional lectures.

368. In offering our study programme, the NIA wishes to reach far more employees, as well as to achieve financial savings. The programme offers places to about 600 students per year of study, compared with about 60 students for a full-time course.

369. Through the combined study programme in social security, the department has acquired a tool for managing competence improvement in a manner that is completely different from the earlier programmes. This applies primarily to the capacity of the programme. Far more students can participate in a study programme using the same level of resources. In addition, the head of each national insurance office can give priority to the areas/modules that the office needs most, thus creating a tailor-made programme for competence improvement.

370. This is the result of a flexible study model, with a combination of class sessions, video lectures, workbooks, assignments, instruction and self-study. In this way, it is possible to participate while working full-time.

371. The students get paid leave when they attend a five-day seminar per module, as well as 4 extra days of study leave. In addition, students may apply locally for two days of leave, and they get two days' study leave to prepare for each examination. Apart from this, they have full-time jobs.

372. On a part-time basis, it is possible to carry out four modules in two years. The work involved in each module is equivalent to half-time studies for one half-year. Even though the modules are related to some extent, it is possible to take each module independently. It is thus not necessary to take the modules in any particular order. The modules can be taken individually, and one can take four, or up to five modules in total.

373. The study programme assumes that the student is at work and only has short periods of study leave. This means that the theory and assignments can be closely linked with the work situation.

374. Early on, when the programme was still being established, the NIA expressed a desire for an increased proportion of distance-education elements, but it was agreed that these should be introduced gradually.

375. Educational considerations, as well as Lillehammer College's experience with flexible study models, form the basis for the study model chosen. As video lectures demand thorough preparation and planning, and include a wealth of illustrative material (film clips/dramatisation/charts), the quality of the lectures may be better than that of traditional lectures in an auditorium. At the same time, they provide an opportunity to offer students some of the top specialists in the country as "guest lecturers". The tutoring model is flexible, as students can watch and listen to the video when it suits them individually, they can watch/listen to it several times, and they can "stop" the lecturer during the session.

376. The study model is a combination of elements from traditional tutoring and a considered selection of distance-education elements. The aim is to achieve:

- good results from the tutoring
- tutoring that is virtually the same for all the students
- the same form of communication
- the same feedback - guidance
- the same feedback - grading

377. The purposes of an intensive class session include:

- introducing the disciplinary lecturers and the students to each other
- clarifying points about the study technique
- providing guidance face-to-face
- exchanging experiences about study progress
- distributing study materials
- providing a social meeting-place in a wider environment
- providing information about the subject (lecture, group work and guidance)
- providing a forum for discussion of the subject
- creating the opportunity for a broad introduction to the subject - giving students the feeling that they have made a good start - before they travel home again
- providing a basis for establishing groups - since group work has important functions in the tutoring approach typical of the colleges
- creating a network among the students that they can use during the period of study, and which one hopes will represent a resource that they can draw on afterwards
- providing an opportunity to discuss the tutoring model
- provide an introduction in study techniques and writing assignments

378. In the period between the class session early in the semester and the module examination:

- video lectures
- workbooks
- writing the semester assignment
- guidance in the subject
- self-study

379. To assure the quality of the study programme, systematic evaluation at the class sessions, as well as after each semester, is important.

Developing and trying out flexible communications technology

380. In parallel with the disciplinary and organisational development of the programme, we have been trying out flexible communications technology, and gradually adopting it.

381. Lillehammer College is responsible for developing the distance-education elements, which will gradually be included in the programme. Lillehammer College is also responsible for trying out newer communications technology in practice.

382. The essence of what we are conveying now is that the study programme has developed gradually, in phases: from a traditional part-time programme, to an integrated study model.

383. Each phase reflects a gradual introduction of different types of distance-education elements. I'll briefly mention the following:

- from autumn - 96: regionalisation of the education available - from centralisation at one college, to regionalisation at four colleges
- from autumn - 96: use of video lectures and workbooks
- spring - 96: limited trials using the Internet (e-mail and discussion groups) for a group of 42 students
- spring - 96: trials using videophones in guidance to five students
- from spring - 96 to spring - 97: development of multimedia-based interactive tutoring for public-sector service offices
- spring - 97: development of a “hybrid solution”: CD-ROM in combination with the Internet.

384. The NIA and Lillehammer College are already planning future development of the combined studies in social security, in preparation for the next phase of the programme. We envisage the following:

- an adjustment and development of existing modules
- more students taking the programme per study year / increased capacity
- subject content and administrative information communicated via more advanced technology, such as the Internet and CD-ROM.
- development of shorter courses.

Summary

385. By using different types of communications technology, we have reached more students with a more flexible study programme. We have been more successful in taking care of two-way communication and interaction, by combining the best of traditional tutoring with the use of newer types of communications technology. Even though the programme reaches more students, and costs less, we have taken care of the disciplinary and educational qualities.

5.3 “THE SCANA CLASS”

The project

386. The “Scana Class” is made up of supervisors, project managers and field engineers employed by Scana Offshore Technology AS.

387. All participants in the class are experienced skilled workers with specialised training in their own professions. The education is given under the private candidate system where the participants are known as § 20 candidates. The professions are scaffolding and industrial painting. There are 50 students in the Scana Class and they have to read the following subjects:

- Norwegian (language and literature)
- English
- Mathematics
- Natural Science
- Modern History.

Social studies

388. These subjects provide all the participants with the qualifications necessary to follow education/lectures offered in a college or university.

389. It was considered important to co-operate with both the company and its major customers to ensure that the range of subjects provided was as relevant as possible for current and future conditions.

390. The following college subjects were selected:

- basic project management (2 credits)
- project planning (2 credits)
- project implementation (2 credits)
- business administration (2 credits)
- organisation theory (2 credits)
- labour legislation (2 credits)
- personal administration (2 credits)
- organisation evolution (2 credits).

391. It is not yet decided which other subjects will be selected in order to provide the 20 credits needed to receive the basic qualification.

Background to the project

392. The project was started because the participants in the programme were afraid that they might lose their jobs as leaders because the requirements for formal qualifications are constantly increasing in their fields of work. The participants were afraid that the employer might want to hire staff with formal qualifications within project management, business and general management. The risk is that the competence provided by qualifications in the relevant fields will exceed that of the current leaders.

393. The integration of project teams is one reason why the demand for formal qualifications is constantly increasing.

394. The employer has a long tradition of encouraging staff training. The problem is that, while employees may gain skills and follow courses within the firm, this does not result in formal educational qualifications that could be of use outside of the firm. Because of this, many employees found it difficult to motivate themselves to attend the courses. This is also a very important contributing factor in our decision to start a more comprehensive educational project within the company, a project providing recognised qualifications.

Financing

395. All the participants in the Scana Class are members of a trade union called FLT (The Trade Union for Management and Technology). FLT is affiliated to the Norwegian Federation of Trade Unions (LO) and is a nation-wide union for supervisors, middle managers, engineers and business leaders mainly working in the private sector, in all fields of activity. It currently has 16,500 members.

396. In their 1992 wage agreement, FLT came to an arrangement with NHO (The Norwegian Confederation of Business and Industry) concerning scholarships enabling members to finance expertise enhancement. FLT administers these funds itself.

397. The employers thus have the chance to give priority to the kind of education they see as important. A point is made of giving financial support for expertise enhancement before other activities. This is how the scholarship arrangement works:

- Expertise enhancement means education/courses continuing from earlier education/courses; the support is given as a scholarship after the application is accepted.
- To apply, you have to be a worker, not over the retirement age or in any other kind of retirement.
- The support is given over the period required for that kind of education, and you have to apply every year.
- The scholarship amount is set for one year at a time.
- The trade union office supplies the application forms and instructions.
- It may also provide further guidance.
- Support may also be provided in a variety of ways for expertise enhancement for groups of members.

398. Members receive a maximum of 47,000 Nkr for full-time studies, 32,000 for part-time studies and 15,000 Nkr for shorter courses.

399. The Scana Class is completely financed by FLT. This project has a funding limit of 3 million Nkr. The money covers books and materials such as calculators, natural science materials and examination fees. FLT also gives each participating member 5,000 Nkr to buy a personal computer.

400. From their side, the participants pursue the education in their spare time. For the participants, it is very important that the trade union and not the employer funds the education. If the employer did so, the employees would have to sign a contract with the employer. Many of them would then have thought twice about joining such a long course (it lasts for four years). The only things the member must do are to pay membership over the period and to work in a company that has a deal with FLT.

401. Scana Offshore Technology AS has promised participants who complete the education and are still employed by the company that it will pay part of the cost of a personal computer for each student.

Implementation

402. Because so many participants live and work in different areas of Scandinavia, it was decided to offer this educational programme as distance education through NKS DISTANCE EDUCATION. NKS offers both education leading to formal qualifications and college classes. This makes things easier for the participants. NKS was willing to contribute its expertise in information and communication technology (ICT) to strengthen the quality of the project. To ensure that quality was maintained, a supervisory group was elected with representatives from NKS, FLT and the students. This group has the authorisation to introduce modifications in order to ensure the satisfactory implementation of the project and to maintain its quality.

403. The supervisory group has so far made only one major change. Early in the project, it became clear that the existing arrangements on the Internet might not be enough to cover the needs of the Scana Class. It decided to adopt a different approach from the traditional e-mail and discussion groups and to develop a special web-site for the class. FLT decided to pay for this in order to have the possibility of offering the same service to other classes in the future.

404. The web-site contains trade aspect pages and a reference board for every subject. On the trade aspect pages, the teachers and the contents of the subjects are presented as well as details on how to download items the participants need to send in tasks, links to other relevant web pages and an e-mail link to the teacher. The student may thus communicate with the teachers and other students.

405. At the reference board, the students may write their own ideas in a plenary debate or put questions to the rest of the class. The board is made in such a way that it is easy to go back to a debate in a file drawer.

406. In this way, the student is not dependent on being on the net to use other students' ideas in a debate. On these pages, the students receive roughly the same level of help as in a "standard" educational situation. With this system, the students both learn and get some training in using ICT while expanding their formal qualifications. It was stressed that no one has to use ICT to participate in the project. Every student chooses if he or she wants to communicate by traditional letters or to use ICT.

5.4 NATIONAL LESSONS FROM THE CASE STUDIES

407. The case studies are both ongoing projects, and the evaluations are not concluded.
408. Nevertheless, the focus, organisation and methods in these two projects are highly relevant for the reform that is planned in adult education and training.
409. The focus is on the competence needs in the working community.
410. The close co-operation between the company/agency and the colleges (both public and private) seems to be fruitful in order to make arrangements that are relevant and accessible for the employees.
411. The use of information technology and distance education has a great potential to make flexible arrangements to facilitate the combination of work and studies in a cost-effective way.
412. Motivation is important. Active involvement from unions and employers seems to be extremely important in order to motivate and recruit adults to education.

CHAPTER 6: CONCLUSIONS

1. Main challenges

413. There is a broad political and social interest in education and training in Norway. Annual public expenditure on education is among the highest in the OECD area in relation to GDP.

414. The Norwegian people enjoy a generally high standard of education. Basic (primary and lower secondary) education for children and young people is well developed and geographically located so that travelling distance is normally no obstacle to acquire education. The drop-out rate is very low and schemes have been established to follow up pupils who drop out of school.

415. The expansion and reforms in primary and lower secondary education and in upper secondary education ensure that the vast majority of children and young people receive a sound basic education as the basis for work and lifelong learning.

416. The main challenges in a future commitment to lifelong learning in Norway seem in particular to concern training and competence for adults. This can be explained, among other things, by the following factors:

- The speed at which changes are taking place in the workplace is high and it is accelerating. This puts considerable demands on the ability of enterprises to plan and implement measures which will enable them to satisfy their own need for competence. Norway faces a special challenge in that most enterprises are small, with fewer than twenty employees, and there is therefore a limit to their ability to meet these needs themselves.
- Many adults have not had or have not made use of the opportunity to complete a basic education on a par with what is customary for young people today. About forty per cent of the working population have not completed an upper secondary education. For many who have not completed secondary education, this is not a problem in their daily work, but it may become critical in the event of reorganisation in the workplace, unemployment, etc.

2. Good starting point

417. In the context of lifelong learning, Norwegian society has a number of obvious qualities and advantages which have had a positive effect on training and learning conditions in general, and which will also be an asset in the work of meeting these challenges in the years to come.

418. These are, for example:

a) The workplace and the social partners

419. The Norwegian workplace is generally well regulated and managed along democratic lines. Norway has a long tradition of co-operation between the trade unions and the employers' organisations.

420. There is a growing recognition in the workplace of the need for competence in the years to come and a greater interest in competence and training among the employees and in society in general. This interest is based, for example, on the established tradition that the enterprise and the social partners are responsible for the apprenticeship scheme which plays a major part in technical and vocational training for young people.

421. The agreements between these partners make it possible to raise social issues through collective bargaining. This now applies to training for employees, which has been a major issue at the last two annual wage settlements.

422. The Norwegian workplace also has an established tradition of co-operating with the authorities in resolving important welfare issues. The employer and employee organisations have made an active contribution to clarify these issues and made contributions to the plans that have been made for an adult education reform.

b) A strong, decentralised public education system

423. Norway's public education system is generally well-supported and of good quality, and it has a highly decentralised structure.

424. One of the guiding principles behind the system is that each school is responsible for all pupils within certain age groups living in the area covered by it. Only to a very limited degree have institutions been established to look after the interest of special groups of pupils. This also means that it is the responsibility of the schools to offer education to adults in their areas. This opens up the possibility of a flexible use of resources and makes it easier to change the courses offered when this is justified by the needs.

c) A broad popular interest for education

425. In Norway, adult education is traditionally rooted in broad popular interest through the involvement in education of non-government organisations and other interest groups. This educational and informational activity ("popular education") is an integral and extensive part of these organisations' activities.

426. This type of education is recognised by the authorities in that it is included in the laws governing education and government grants are given to cover part of the activities. Many interesting forms of co-operation have been developed between these organisation and public education institutions, employers, etc.

427. This broad, popular involvement in education is a valuable asset in the overall build-up of competence, through motivation, recruitment and the courses themselves.

d) Use of distance education and IT in education

428. The use of distance education is firmly established in Norway. This applies to both public and independent/private institutions. This tradition and this competence form an important basis for the work that is now being done on the use of IT and multimedia in education. This plays a vital part in ensuring greater flexibility and better organisation of educational opportunities.

e) Labour market training courses as a supplement to ordinary education for adults.

429. As part of the Norwegian "active labour market policy" Labour market training courses are important for improving the competence and job possibilities of the unemployed, and to supply employers with qualified job-seekers, and to avoid bottlenecks in the labour market. The courses are important as a supplement to ordinary education for adults especially during periods of high unemployment.

3. The authorities' policy

430. Major, far-reaching reforms have been carried out throughout the educational system during the past ten-year period. Lifelong learning has formed the background for the way these reforms have been made.

431. Training and competence-building for the adult population is now high on the political agenda.

432. In the White Paper on the "Competence Reform", submitted in June 1998, the strategy for the adult education reform is summarised as follows:

"The basis for the reform is the need for competence in the workplace, in society and by the individual. The reform will embrace all adults in and outside the labour market and it will have a broad, long-term perspective. The reform will be implemented as a process in which employers, employees and the government will have to make an active contribution."

433. The specific proposals made by the Government in the White Paper are:

- The Government will pave the way for adults who have not completed their primary, lower secondary and upper secondary education to be given the opportunity to do so.
- The Government is prepared to pave the way for legislation providing for an individual right to study leave.
- The conditions for loans and grants from the State Educational Loan Fund will be reviewed, so that the needs of adults taking a basic education can be met more satisfactorily. It is presumed that compensation for lost income for employees taking study leave is the responsibility of the employer and employee organisations. New guidelines are being considered for the tax treatment of employer-financed education. The Government will put its proposals to the Storting in spring 1999.
- A system will be established to document and recognise adults' non-formal learning and competence.
- With reference to the work of assessing non-formal learning, it is the Government's aim to make it possible for adults with proven equivalent competence to be accepted at the level of progression where they belong. This will apply in both upper secondary and higher education.
- The Government will contribute through development programmes and funding to the development of flexible and user-oriented courses, using, for example, distance education and IT, and help to strengthen the workplace as a place of learning. Models for co-operation between enterprises and educational institutions will play a central role in this work.

- The providers of education (public and private) will be encouraged to make better arrangements for interaction with the workplace and the development of more flexible, user-oriented education. Emphasis will also be given to new models for co-operation between educational institutions, for example over electronic networks.
- Preparations are being made for utilisation of the competence of the Public Employment Services to increase the activities within life long learning.
- The Government will draw up an information plan for the competence reform as a whole. A project will be initiated in close co-operation with the parties involved to develop a central database for educational information.

4. Summary assessment of the financing of lifelong learning

434. Public expenditure on education is high in Norway. Major, far-reaching reforms have been implemented throughout the educational system in recent years. These reforms are cost-intensive, but at the same time they incorporate important elements to promote a better, more object-oriented use of resources. For example:

- A more uniform structure in upper secondary education which helps to improve the utilisation of capacity. The responsibility for the school structure, organisation of education and financing has been given specifically to the county authorities.
- A major reorganisation has reduced the number of state-run colleges from 100 to 26. Establishing “Network Norway” which links up universities and colleges, has given a clear division of labour.
- Faster flow of pupils due to statutory rights and better guidance in upper secondary education and to incentives to complete in higher education.
- The apprenticeship scheme has been made the main model for final vocational training. It has been established that this responsibility is to be shared between the authorities and the social partners. Focus on the apprenticeship scheme helps to ensure that teaching capacity in the schools is adapted to meet the needs of the workplace and reduces the need for investment in equipment, premises and teachers in the schools.

435. Future challenges will largely concern the need for competence in the adult population. The organisation of education will be guided to a significant degree by the needs of the labour market.

436. It is clearly recognised by the public authorities that the focus on adult education in the future cannot be the responsibility of these authorities alone, see Chap. 6, Section 3, but that employers and individual adults must also take the responsibility for their own need for competence. This recognition seems to have a general political and social support.

437. The following areas seem to be crucial to a policy directed at meeting needs:

- Co-operation between the authorities and the social partners on planning, development and implementation of the reform.
- Activation of a collective public and private system of education in order to achieve more flexible and better adapted training and in general offer better conditions with a view to

developing and providing training which corresponds to the needs of the workplace and society.

- Documentation and recognition of adults' non-formal competence in order to make the way to the target as short, realistic and cheap as possible for the individual.
- Use of distance teaching and IT in adult education in order to improve the organisation and increase the benefits.
- Develop the workplace as a place of learning, in order to combine training with work in a more satisfactory way, and thus reduce the costs and increase the benefits of the training.

438. This Norwegian report shows that there are several areas of adult education where the accumulated knowledge is inadequate. Priority will be given to building up more knowledge about the scope, organisation and value of the major investments that are being made in education and competence for the labour force and the adult population in general.